



June 30, 2006

The Honorable Charles L.A. Terreni  
Chief Clerk & Administrator  
Public Service Commission of South Carolina  
ATTN: Docketing Department  
101 Executive Center Drive  
Columbia, South Carolina 29210

2006-173-E

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Re: Contract between South Carolina Electric & Gas Company and the United States Department of Energy

Dear Mr. Terreni:

Enclosed please find a contract dated June 1, 2006 between South Carolina Electric & Gas Company ("SCE&G") and the United States Department of Energy ("DOE"), as amended June 29, 2006, setting forth certain electric rates and conditions of service for which we request approval by the Commission. The electric rates in this contract have all been previously approved by the Commission, either in tariffs of the Company or in contracts filed with the Commission.

The contract calls for the SCE&G to lease and operate the electric transmission system of DOE and to provide electric service to DOE at the Savannah River Site. The effective date of the contract is June 1, 2006, and the first bill rendered under the terms of the Agreement is scheduled for issuance in early July of 2006. Therefore, SCE&G respectfully requests the Commission approve this contract at its next regularly scheduled Commission meeting.

Should you have any questions, please do not hesitate to contact me. Thank you in advance for your consideration.

With kind regards,

Patricia Banks Morrison

cc: Mr. Dan Arnett  
Mr. John Flitter

|   |   |  |  |  |           |                        |                |
|---|---|--|--|--|-----------|------------------------|----------------|
| <b>AWARD/CONTRACT</b>   |   | 1. THIS CONTRACT IS A RATED ORDER<br>UNDER DPAS (15 CFR 350) |  | RATING<br>DO-E2  |           | PAGE OF PAGES<br>1 49g |                |
| 2. CONTRACT NO.<br>DE-AC09-06SR22434  |   | 3. EFFECTIVE DATE<br>SEE BLOCK 20C                           |  | 4. REQUISITION/PURCHASE REQUEST PROJECT NO.  |           |                        |                |
| 5. ISSUED BY<br>U. S. Department of Energy<br>Savannah River Operations Office<br>Office of Contracts Management<br>PO Box A<br>Aiken, SC 29802                             |   |  |  | 6. ADMINISTERED BY (if other than item 5)  |           |                        |                |
| 7. NAME AND ADDRESS OF CONTRACTOR<br>South Carolina Electric & Gas<br>1426 Main Street, MC 141<br>Columbia, SC 29201  |   |  |  | 8. DELIVERY<br><input type="checkbox"/> FOB ORIGIN <input checked="" type="checkbox"/> OTHER (See below) |           |                        |                |
|   |   |  |  | 9. DISCOUNT FOR PROMPT PAYMENT<br>N/A  |           |                        |                |
|   |   |  |  | 10. SUBMIT INVOICES TO<br>THE ADDRESS SHOWN IN:<br>(4 copies unless otherwise specified)                 |           | ITEM<br>12             |                |
| CODE  |   | FACILITY CODE  |  |  |           |                        |                |
| 11. SHIP TO/MARK FOR  |   | CODE   |  | 12. PAYMENT WILL BE MADE BY:   |           | CODE                   |                |
|   |   |  |  | US DEPARTMENT OF ENERGY<br>OAK RIDGE FINANCIAL SERVICE CENTER<br>P.O. BOX 4908<br>OAK RIDGE, TN 37831    |           |                        |                |
| 13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION<br><input type="checkbox"/> 10 U.S.C. 2304 (C) ( ) <input checked="" type="checkbox"/> 41 U.S.C. 253 (C) ( 1 ) |   |  |  | 14. ACCOUNTING AND APPROPRIATION DATA  |           |                        |                |
| 15A. ITEM NO.   | 15B. SUPPLIES/SERVICES                          |  |  | 15C. QUANTITY  | 15D. UNIT | 15E. UNIT PRICE        | 15F. AMOUNT    |
|   | Electrical & Operations and Maintenance Service |  |  | See Schedule B   |           | See Schedule B         | See Schedule B |

15G. TOTAL AMOUNT OF CONTRACT \$103,545,287.56

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CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR 18 AS APPLICABLE

17. ☒ CONTRACTOR'S NEGOTIATED AGREEMENT (contractor is required to sign this document and return 3 copies to Issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein (Attachments are listed herein.)

18. ☐ AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any condition sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/ contract. No further contractual document is necessary.

19A. NAME AND TITLE OF SIGNER (Type or Print)

Neville Lorick - President

20A. NAME OF CONTRACTING OFFICER

Donnie E. Campbell

19B. NAME OF CONTRACTOR

BY *Neville O. Lorick*

19C. DATE SIGNED

5-12-06

20B. UNITED STATES OF AMERICA

APPROVED *Donnie E. Campbell*

20C. DATE SIGNED

JUN 01 2006

NSN 7540-01-152-8069

Previous addition is unusable

AS TO  
LEGALITY  
AND FORM

AJB  
5-10-06

STANDARD FORM 26 (REV. 4-85)  
Prescribed by GSA - FAR (48 CFR 53.214(a))

**PART I – THE SCHEDULE**  
**SECTION B**  
**SUPPLIES OR SERVICES AND PRICES/COSTS**

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**PART I – THE SCHEDULE**  
**SECTION B**  
**SUPPLIES OR SERVICES AND PRICES/COSTS**

**B.01    SERVICES BEING ACQUIRED**

During the Contract Performance Period, the Contractor shall provide ELECTRICIAL SERVICE as described in Section C, Description and Specifications/Statement of Work for a period of **five years from the effective date of award with 3 one-year options. The effective date shall be either June 1, 2006, or upon approval of the contract by the South Carolina Public Service Commission**, if required, whichever is later. It is expressly understood that neither the Contractor nor the Government is under any obligation to continue any service under the terms and conditions of this contract beyond the expiration date.

**(THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK)**

**B.02 ESTIMATED CONTRACT PRICE****SUPPLIES OR SERVICES AND PRICES/COST**

| <b>Item No.</b>  | <b>Supplies/Services</b>  | <b>Estimated Demand</b> | <b>Unit</b>    | <b>Unit Price</b>      |
|--|---|-------------------------|----------------|------------------------|
| 0001   | Electrical Services<br>Base Period of Performance (POP),<br>June 1, 2006 thru May 31, 2011.<br>The electrical forecasts are provided<br>under Section J, Attachment 3 |                         |                |                        |
| <b><u>ANNUAL RATE FOR BASIC PERIOD OF PERFORMANCE:</u></b> |   |                         |                |                        |
|  | Annual price of electrical services   | 20,000/firm demand      | KW             |                        |
|  |   | <u>Year 1</u>           | <u>Year 2</u>  | <u>Year 3</u>          |
|  |   | <u>Year 4</u>           | <u>Year 5</u>  |                        |
| *Contract Rate   | \$7,582,078.00  | \$7,991,510.21          | \$8,400,942.42 | \$8,810,374.64         |
| *Rate 23   | \$1,838,843.00  | \$1,938,140.52          | \$2,037,438.04 | \$2,136,735.57         |
|  |   |                         |                | \$2,236,033.09         |
|  | June 1, 2006 thru May 31, 2007  |                         |                | \$ 9,420,921.00        |
|  | June 1, 2007 thru May 31, 2008  |                         |                | \$ 9,929,650.73        |
|  | June 1, 2008 thru May 31, 2009  |                         |                | \$10,438,380.46        |
|  | June 1, 2009 thru May 31, 2010  |                         |                | \$10,947,110.21        |
|  | June 1, 2010 thru May 31, 2011  |                         |                | \$11,455,839.94        |
|  | <b>Total Estimated Price for Base Electrical Services</b>   |                         |                | <b>\$52,191,902.34</b> |
| 0001A  | Purchase Power 3 (PP3) Operating Charge   |                         |                |                        |
|  | June 1, 2006 thru May 31, 2007  |                         |                | \$133,642.22           |
|  | June 1, 2007 thru May 31, 2008  |                         |                | \$138,273.39           |
|  | June 1, 2008 thru May 31, 2009  |                         |                | \$143,235.35           |
|  | June 1, 2009 thru May 31, 2010  |                         |                | \$148,197.32           |
|  | June 1, 2010 thru May 31, 2011  |                         |                | \$153,490.08           |
|  | <b>Total Estimated Price for Base PP3</b>   |                         |                | <b>\$716,838.36</b>    |
| 0001B  | Electrical Operation and Maintenance Fee  |                         |                |                        |
|  | June 1, 2006 thru May 31, 2007  |                         |                | \$1,588,300.00         |
|  | June 1, 2007 thru May 31, 2008  |                         |                | \$1,639,919.75         |
|  | June 1, 2008 thru May 31, 2009  |                         |                | \$1,693,217.14         |
|  | June 1, 2009 thru May 31, 2010  |                         |                | \$1,748,246.70         |
|  | June 1, 2010 thru May 31, 2011  |                         |                | \$1,805,064.72         |
|  | <b>Total Price for Base O&amp;M Fee</b>   |                         |                | <b>\$8,474,748.31</b>  |
|  | <b>TOTAL ESTIMATED PRICE 0001 THRU 0001B</b>  |                         |                |                        |
|  | <b>BASE YEAR PERIOD OF PERFORMANCE</b>  |                         |                | <b>\$61,383,489.01</b> |

| Item No. | Supplies/Services | Estimated Demand | Unit | Unit Price |
|----------|-------------------|------------------|------|------------|
|----------|-------------------|------------------|------|------------|

**OPTION 1 PERIOD OF PERFORMANCE**

|  |  |                    |    |                        |
|--|--|--------------------|----|------------------------|
| 0002   | Electrical Service<br>POP: June 1, 2011 thru<br>May 31, 2012.<br>Annual price of electrical services | 20,000/firm demand | KW | <u>\$11,964,569.74</u> |
|  | Contract Rate  |                    |    | <u>\$9,528,360.65</u>  |
|  | Rate 23  |                    |    | <u>\$2,436,209.09</u>  |
| 0002A  | PP3 Operating Charge<br>June 1, 2011 thru May 31, 2012   |                    |    | <u>\$158,782.84</u>    |
| 0002B  | Electrical Operation and<br>Maintenance Fee  |                    |    | <u>\$1,863,729.32</u>  |
| <b>Total Estimated Annual Price for Services</b> |  |                    |    | <b>\$13,987,081.90</b> |

**OPTION 2 POP**

|  |  |                    |    |                        |
|--|--|--------------------|----|------------------------|
| 0003   | Electrical Service<br>POP: June 1, 2012 thru<br>May 31, 2013.<br>Annual price of electrical services | 20,000/firm demand | KW | <u>\$11,964,569.74</u> |
|  | Contract Rate  |                    |    | <u>\$9,528,360.65</u>  |
|  | Rate 23  |                    |    | <u>\$2,436,209.09</u>  |
| 0003A  | PP3 Operating Charge<br>June 1, 2012 thru May 31, 2013   |                    |    | <u>\$164,406.40</u>    |
| 0003A  | Electrical Operation and<br>Maintenance Fee  |                    |    | <u>\$1,924,300.52</u>  |
| <b>Total Estimated Annual Price for Services</b> |  |                    |    | <b>\$14,053,276.66</b> |

**OPTION 3 POP**

|  |  |                    |    |                        |
|--|--|--------------------|----|------------------------|
| 0004   | Electrical Service<br>POP: June 1, 2013 thru<br>May 30, 2014.<br>Annual price of electrical services | 20,000/firm demand | KW | <u>\$11,964,569.74</u> |
|  | Contract Rate  |                    |    | <u>\$9,528,360.65</u>  |
|  | Rate 23  |                    |    | <u>\$2,436,209.09</u>  |
| 0004A  | PP3 Operating Charge<br>June 1, 2013 thru May 31, 2014   |                    |    | <u>\$170,029.96</u>    |
| 0004B  | Electrical Operation and<br>Maintenance Fee  |                    |    | <u>\$1,986,840.29</u>  |
| <b>Total Estimated Annual Price for Services</b> |  |                    |    | <b>\$14,121,439.99</b> |

**B.03 RATES****Contract Electric Rates & Rate Structure**

The Government will pay the Contractor for the electric services to be furnished hereunder at a fixed unit rate as set forth in the Contractor **Special Rates** cited below:

**SPECIAL RATES**

|                           |  |
|---------------------------|--|
| Basic Facilities Charges: | \$1,200.00/month                             |
| Contract Demand charge:   | \$9.78 KW X 20,000 KW                        |
| Energy Charge:            | \$0.03349 per KWH                            |
| PP3 Operating Charge:     | 4.04%X\$3,307,975.86 (\$11,136.85 per month) |

Electrical Service is for a firm contract demand of 30,000 KW with a maximum allowable take of 80,000 KW at the delivery points specified in Part I, Schedule, Section C.02. Firm Power of 20,000 KW and associated energy at 90% load factor will be available to the Government at the firm-fixed price unit rates cited above. The Government will maintain a power factor of as near unity as practicable. If the power factor of the Government's installation falls below 90%, the Contractor will adjust the appropriate billing demand to a basis of 90% Power Factor. In the event the hourly load factor falls below 90%, the difference between the actual energy consumed and the amount of energy needed to achieve a 90% load factor shall be billed at \$.00833 per KWH provided, however, if service is not available for an aggregate of ten (10) hours or greater during any billing period, then the 90% load factor computation shall not be applied during that period of time. The \$.00833, above, is determined as the difference in the energy charge of \$.03349, above, less the PSC of SC approved fuel cost which is currently \$.02516 per KWH. The Basic Facilities Charge cited above is included in Rate 23 per month and equals the Rate 23 demand charge for the "First 1,000 KW of Billing Demand" minus the product of 1,000 times the demand charge per KW. The Contract Demand Charge is 85% of the Excess over 1,000 KW of Billing Demand Charge per KW on Rate 23 rounded to two places to the right of the decimal. The Contract Energy Charge above is equal to that of Rate 23 and includes the Adjustment for Fuel Costs and the Storm Damage Component. The Billing Demand for the Contract Rate will be 20,000KW in accordance with the terms and condition of the Contract.

**RATE 23** –The Government will pay the Contractor Rate 23 Energy Charge at an annual fixed rate escalated annually as set forth in Section J, Attachment J.02, **Rate 23, Industrial Power Service (Date: effective for bills rendered on and after the first billing cycle of May 2006)**, in accordance with the terms and conditions of the schedule.

**Purchase Power 3 (PP3) Operating Charge** – price for services associated with the Contractor owning, operating and maintaining the facilities cited below which are exclusively used by the Department of Energy, Savannah River Site (DOE-SRS):

- 230 KV-115 KV
- 336 MVA substation which tapped the Company's Canady's-Graniteville 230 KV line
- 115 KV line originating at this substation and terminating at Station 5043G.

Rate calculation:  $4.04\% \times \$3,307,975.86$  (\$11,136.85 per month). The rate is based on the initial installation in 1983, priced at \$3,307,975.86. The PP3 Charge under subject Contract is calculated based at 4.04% for Year 1, POP, with an annual escalation factor of 3.50% for the outlet years in accordance with Part 1 – The Schedule, Section B, paragraph B.02 Estimated Contract Price: Basic Contract POP, Item 0001A; Option 1, Item 0002A; Option 2, Item 0003A; and Option 3, Item 0004A. The Basic Contract period of performance is based on the annual costs for 2005, effective with the Government's April billing and consists of the components cited below:

|                                   |              |
|-----------------------------------|--------------|
| State Franchise (True Value)      | .10%         |
| Gross Receipts and Support of PSC | .10%         |
| Operation & Maintenance Expense   | <u>3.84%</u> |
| Total Annual Percentage           | 4.04%        |

**B.04 LIMITATION OF GOVERNMENT'S OBLIGATION**

The Government's obligation under this contract is contingent upon the availability of appropriated funds from which payment can be made.

**B.05 ELECTRIC RATE RE-ALLOCATION**

The Government shall have the option to increase or decrease the amount of Firm Demand in the Base Electric Rate once every two (2) years.

**B.06 PRIOR CONTRACT SUPERSEDED**

Contract DE-AC09-95SR18531 is superseded and replaced by subject contract effective with the billing period following the month in which subject contract is effective in accordance with B.01.

**B.07 FAR 52.217-5 EVALUATION OF OPTIONS (JULY 1990)**

Except when it is determined in accordance with FAR 17.206(b) not to be in the Government's best interests, the Government will evaluate offers for award purposes by adding the total price for all options to the total price for the basic requirement. Evaluation of options will not obligate the Government to exercise the option(s).

**B.08 FAR 52.217.9 OPTIONS TO EXTEND THE TERM OF THE CONTRACT - SERVICES (MAR 2000)**

(a) The Government may extend the term of this contract by written notice to the Contractor within 30 days; provided that the Government gives the Contractor a preliminary written notice of its intent to extend at least 60 days before the contract expires. The preliminary notice does not commit the Government to an extension.



(b) If the Government exercises this option, the extended contract shall be considered to include this option clause.

(c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed eight (8) years (months) (years) and shall be accomplished within the Price Schedule cited under options 0002 through 0004, paragraph B.2 above.

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**PART I – SCHEDULE**  
**SECTION C**  
**DESCRIPTION/SPECIFICATION/WORK STATEMENT**

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**PART I – SCHEDULE**  
**SECTION C**  
**DESCRIPTION/SPECIFICATION/WORK STATEMENT**

**PART I THE SCHEDULE SECTION C**

**C.01 GENERAL SCOPE OF WORK**

The Contractor shall provide electricity sufficient to meet the requirements of the Savannah River Site. The Lease of Electrical Transmission Lines and Substations will **continue to be leased to SCE&G in accordance with the terms and conditions under the Department of Energy Lease dated August 8, 1995, under Contract No. DE-AC09-95SR18531, copy attached (See Attachment J, 1(a) hereto.**

DOE is opting not to exercise its statutory authority to establish and enforce occupational safety and health requirement as allowed by 48CFR952.223-71 "Integration of Safety and Health into Work Planning and Execution." 29 CFR 1952.95 "Level of Federal Enforcement" identifies the Federal Occupational Safety and Health Administration as being responsible for the oversight and enforcement of safety and health requirements for SCE&G operations authorized by this contract. Details of the arrangement between DOE and OSHA for the oversight and enforcement of SCE&G operations is contained in the Notice of Addendum to Memorandum of Understanding, dated March 28, 1996, between these two Federal agencies.

**C.02 ELECTRICITY SCOPE OF WORK**

Electrical power supplied hereunder shall be three phase alternating current of approximately sixty (60) hertz, delivered at nominal 115,000 v (115 KV) line to line volts. The electrical energy and total coincidental demand supplied shall be measured by standard metering equipment that is owned by SCE&G at three locations:

- (a) One meter at the 115 KV purchase power line #1 originating at SCE&G's Urquhart Station bus at Beech Island, South Carolina and terminating at SRS Station 52.
- (b) One meter at SRS Station 51.
- (c) One meter at the 230 KV line – 115 KV 336 MVA (Barnwell) substation which taps SCE&G's Cannady's – Graniteville 230 KV line.

SCE&G will provide at DOE's request and expense, additional facilities which will permit DOE to access SCE&G's metering for transmission of pulses from which DOE may determine voltage, megavars, and megawatts.

SCE&G shall provide "Firm Capacity" at the minimum demand levels agreed to under the Rate Schedule located at Section J, Attachment 2. "Firm Capacity" means the provision of electrical capacity and energy from a utility's total system of generation resources or a resource that is fully backed by reserves or other reserve arrangements. That is, firm capacity is subject

to interruption only in the event of force majeure (see Section H.06(b)). Firm capacity is firm, load-following power service that is scheduled, dispatched and fully backed by reserves or other back-up arrangements.

SCE&G will assume full responsibility for operation and maintenance of transmission facilities, substations, and transformers described in the lease located at Section J, Attachment 1 hereunder.

Electrical power supplied hereunder shall be delivered at the transformer low side breaker at the locations specified in **Attachment J.01 (Transmission Substations Map)** and the delivery voltage shall be 4.16 KV and 13.8 KV. Electric power supplied under this contract shall be priced in accordance with the rate schedule given in **Section J, Attachment J.02 (TBD)**.

In addition to the demand re-allocation allowed by B.05, the Department of Energy, Savannah River Operations Office (SR), may adjust the firm contract demand every two years, if necessary, based on additional project load requirements.

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**PART I  
SECTION D**

**PACKAGING AND MARKING**

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**PART I – SCHEDULE**  
**SECTION D**  
**PACKAGING AND MARKING**

**D.01 PACKAGING (APR 1984)**

Preservation, packaging, and packing for shipment or mailing of all work delivered hereunder shall be in accordance with good commercial practice and adequate to ensure acceptance by common carrier and safe transportation at the most economical rate(s).

**D.02 MARKING (APR 1984)**

Each package, report or other deliverable shall be accompanied by a letter or other document which:

- (1) Identifies the contract by number under which the item is being delivered.
- (2) Identifies the deliverable Item Number or Report Requirement which requires the delivered item(s).
- (3) Indicates whether the Contractor considers the delivered item to be a partial or full satisfaction of the requirement.

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**PART I – SCHEDULE****SECTION E**  
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## PART I

### SECTION E

#### INSPECTION AND ACCEPTANCE

##### **E.01 FAR 52.246-4 INSPECTION OF SERVICES-FIXED-PRICE**

- (a) If the Government performs inspections or tests on the premises of the Contractor or a subcontractor, the Contractor shall furnish, and shall require subcontractors to furnish, at no increase in contract price, all reasonable facilities and assistance for the safe and convenient performance of these duties.
- (b) Definition. "Services," as used in this clause, includes services performed, workmanship, and material furnished or utilized in the performance of services.
- (c) The Contractor shall provide and maintain an inspection system acceptable to the Government covering the services under this contract. Complete records of all inspection work performed by the Contractor shall be maintained and made available to the Government during contract performance and for as long afterwards as the contract requires.
- (d) The Government has the right to inspect and test all services called for by the contract, to the extent practicable at all times and places during the term of the contract. The Government shall perform inspections and tests in a manner that will not unduly delay the work.
- (e) If any of the services do not conform with contract requirements, the Government may require the Contractor to perform the services again in conformity with contract requirements, at no increase in contract amount. When the defects in services cannot be corrected by reperformance, the Government may--
  - (1) Require the Contractor to take necessary action to ensure that future performance conforms to contract requirements; and
  - (1) Reduce the contract price to reflect the reduced value of the services performed.
- (f) If the Contractor fails to promptly perform the services again or to take the necessary action to ensure future performance in conformity with contract requirements, the Government may—
  - (1) By contract or otherwise, perform the services and charge to the Contractor any cost incurred by the Government that is directly related to the performance of such service; or
  - (2) Terminate the contract for default.

##### **E.02 INSPECTION**

Inspection of all items under this contract shall be accomplished by the Contracting Officer, Contracting Officer's Representative (COR), or any other duly authorized government representative.

##### **E.03 ACCEPTANCE**

Acceptance of all work and effort under this Contract (including "Reporting Requirements," if any) shall be accomplished by the Contracting Officer or his duly authorized representative.



**PART I  
SECTION F  
DELIVERIES OR PERFORMANCE**

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**PART I**  
**SECTION F**  
**DELIVERIES OR PERFORMANCE**

**F.01 PERIOD OF PERFORMANCE**

The period of performance of the Contract Period shall be eight years inclusive of three 1-year options from June 1, 2006, or approval of the contract by the South Carolina Public Service Commission, if required, whichever is later.

**F.02 PRINCIPLE PLACE OF PERFORMANCE**

The contract work will be principally performed at the Savannah River Site, Aiken, South Carolina, its environs and the Central Savannah River Area.

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**PART I**  
**SECTION G**  
**CONTRACT ADMINISTRATION DATA**

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## SECTION G

### CONTRACT ADMINISTRATION DATA

#### **G.01 CORRESPONDENCE PROCEDURES**

To provide timely and effective administration, correspondence (except for invoices) submitted under this Contract shall be subject to the following procedures:

- (a) Correspondence. All correspondence shall be addressed to the Contracting Officer.
- (b) Contracting Officer's Address. The Contracting Officer's address is as follows:

U. S. Department of Energy Savannah River  
Operations Office P.O. Box A  
Aiken, SC 29802  
Attn: D. L. Campbell  
Office of Contracts Management  
Telephone Number: (803) 952-7732

- (c) Subject Line(s). All correspondence shall contain a subject line commencing with the contract number as illustrated below:

SUBJECT: CONTRACT NO. DE-AC09-06SR22434

#### **G.02 GOVERNMENT CONTACT FOR POST AWARD ADMINISTRATION**

The Contractor shall use the DOE Contracting Officer as the point of contact for all matters regarding this contract except technical matters.

U.S. Department of Energy  
Savannah River Operations Office  
Contracts Management Division  
Attn: Christine S. Corbin, Contract Officer  
P.O. Box A  
Aiken, SC 29802  
Telephone Number: (803) 952-9263

#### **G.03 CONTRACTING OFFICER**

The primary Contracting Officer responsible for administration of this contract is D. L. Campbell, Office of Contracts Management. This individual shall be primarily responsible for all contractual actions required to be taken by the Government under the terms of this contract.

Notwithstanding the above, in the event the above named individual is absent for an extended period or an urgent action is required, any other duly appointed Contracting Officer assigned to the Savannah River Operations Office shall be authorized to take the required contractual action(s) within the limits of his/her authority.

**G.4 CONTRACTING OFFICER'S AUTHORIZED REPRESENTATIVE (COR)**

The designated Contracting Officer's Representative (COR) for this contract is **Patrick J. Burke, Office of Site Services**. The COR shall provide technical direction and monitor the contractor's conduct of the work to ensure that the work is performed in accordance with the Description/Specification/SOW of the contract. The contractor's Project Manager and the COR shall regularly discuss project planning, deliverables, scheduling and other day-to-day events. The COR shall coordinate any changes in technical direction.

The COR's address is as follows:

U.S. Department of Energy  
Savannah River Operations Office  
P.O. Box A  
Aiken, SC 29802  
Attn: **Patrick J. Burke**  
Telephone Number: (803)952-8488

**G.05 DOE PATENT COUNSEL**

Office of Chief Counsel  
Patent Counsel  
U.S. Department of Energy  
Savannah River Operation Office  
Aiken, SC 29802

**G.06 SUBMISSION OF INVOICES AND BILLING**

All invoices or bills shall contain such data, as may be required, to substantiate the billing, including contract number, statements of the meter readings at the end of the billing period, meter constants, consumption during the billing period, installation, delivery points, installation, delivery points, and such other reasonable and available data as may be requested. The invoice shall be addressed to P. J. Burke, Office of Site Service, DOE-Savannah River Operations Office, P.O. Box A, Aiken, SC 29802. (Telephone number is (803) 952-8488).

(b) Payments hereunder shall not be made in advance of services rendered.

(c) The government shall be entitled to any discounts customarily applicable to payment of bills by any customer of the contractor in a similar customer class.

**PART I-THE SCHEDULE**  
**PART I**  
**SECTION H**  
**SPECIAL CONTRACT REQUIREMENTS**

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## **SECTION H**

### **SPECIAL CONTRACT REQUIREMENTS**

#### **H.01 MODIFICATION AUTHORITY**

Notwithstanding any of the other provisions of this Contract, the Contracting Officer shall be the only individual authorized to:

- (a) accept nonconforming material or services,
- (b) waive any requirement of this Contract, or
- (c) modify any term or condition of this Contract

#### **H.02 ASSIGNMENT**

Neither this Contract nor any interest therein claimed thereunder (except see Section I, Clause 1.59, FAR 52.232-23 ASSIGNMENT OF CLAIMS JAN 19861) shall be assigned or transferred by the Contractor except as expressly authorized in writing by the Contracting Officer. The Contracting Officer shall respond to any request for an assignment of claims within 60 days of receipt of the request. This section shall not apply to or limit transfers, assignments or subcontracting to companies or entities wholly owned by SCANA Corporation, the parent company of SCE&G.

#### **H.03 CONFIDENTIALITY OF INFORMATION**

- (a) To the extent that the work under this contract requires that either party be given access to confidential or proprietary business, technical, or financial information, both parties agree to treat such information as confidential and agree not to appropriate such information to its own use or to disclose such information to third parties unless specifically authorized in writing. The foregoing obligations, however, shall not apply to:
  - (1) Information which, at the time of receipt, is in public domain;
  - (2) Information which is published after receipt or otherwise becomes part of the public domain through no fault of the parties;
- (b) The parties agree that each of them shall treat the Confidential Information in confidence in accordance with the provisions of 18 U.S.C. 1905. The parties agree to mark as "Confidential" or "Proprietary" all information to be safeguarded by the other party.
- (c) In the event that any party is required by applicable law, regulation or court order to disclose any confidential information of the other party, such party shall use its best effort (1) to ensure that the disclosure is made on a confidential basis when to do so would not conflict with applicable law and (2) in cooperation with such other party, to protect such information from further disclosure. Immediately upon receipt of notice of a requirement to disclose the confidential information, the party receiving the notice shall provide the party whose confidential information is required to be disclosed with notice of the requirement. Subject to the foregoing requirements, a party receiving notice of a requirement to disclose confidential information may disclose such information to the extent necessary to comply with such requirement.

(d) This clause shall flow down to all subcontracts.

#### **H.04 REPRESENTATIONS, CERTIFICATIONS, AND OTHER STATEMENTS OF THE OFFEROR (July 1991)**

The Representations, Certifications, and Other Statements of the Contractor dated March 15, 2006, and the Contractor's Small and Small Disadvantaged Business Subcontracting Plan, dated Not Applicable (Utility Contract) and made in response to Solicitation No. DE-RP09-05SR22434 are hereby incorporated into this contract by reference.

#### **H.05 RIGHT TO PROPOSAL DATA**

Except for technical data contained in (none cited) of the Contractor's proposal dated \_\_\_\_\_ proprietary data, it is agreed that, as a condition of this Contract, and notwithstanding the provisions of any notice appearing on the proposal, the Government shall have the right to use, duplicate, disclose, and have others to do so for any purpose whatsoever, the technical data contained in the proposal upon which this contract is based.

#### **H.06 CONTINUITY OF SERVICE/ELECTRIC SERVICE**

- (a) Firm Service. The electrical service provided under this contract shall be through redundant facilities, except for where no redundancy exists on the Savannah River Site at the contract effective date and should not be subject to interruption for any single contingency problems that may occur to the contractor's system. SCE&G shall be responsible for minimizing the risk of multiple contingency outages that could affect service to the Savannah River Site through regular maintenance and inspection of the facilities supplying the Savannah River Site.
- (b) Liability. SCE&G shall use reasonable diligence to provide regular and uninterrupted power but shall not be liable for damages, breach of contract or otherwise, to the Government, for "Force majeure," as that term is defined in the applicable tariff and schedule filed with the SC Public Service Commission.
- (c) In the event SCE&G claims that performance of its obligations is prevented or delayed by any cause constituting force majeure, SCE&G shall immediately notify the Contracting Officer of that fact and of the circumstances preventing or delaying performance. SCE&G shall use due diligence to again put itself in a position to carry out all of the obligations of the contract.

#### **H.06a CONTINUITY OF SERVICE/NON-REGULATED**

- (a) Firm Service Non-Regulated. For all non-regulated services, including Electrical Operation and Maintenance under this contract SCE&G shall be responsible for minimizing the risk of outages that could affect service to the Savannah River Site through regular maintenance and inspection of the facilities supplying the Savannah River Site.



- (b) Liability. SCE&G shall use reasonable diligence to provide regular and uninterrupted power but shall not be liable for damages, breach of contract or otherwise, to the Government, for "Force majeure". "Force majeure" is defined as those actions identified in FAR 52.249-8(c) and (d). Force majeure specifically does not include either routine maintenance and repairs to property, plant or equipment, or interruption of supplies from a subcontract or supplier in accordance with the terms of any agreement or contract between SCE&G and its subcontractor or supplier.
- (c) In the event SCE&G claims that performance of its obligations is prevented or delayed by any cause constituting force majeure, SCE&G shall immediately notify the Contracting Officer of that fact and of the circumstances preventing or delaying performance. SCE&G shall use due diligence to again put itself in a position to carry out all of the obligations of the contract.

#### H.07 COVENANTS AND AGREEMENTS

- (a) Notice of Change. The Government will notify SCE&G promptly if the Government becomes aware of any transaction or occurrence prior to the Effective Date which would make any representations and warranties untrue in any material adverse respect, as if such representations and warranties had been given as of the date on which the Government becomes aware of any such transaction or occurrence.
- (b) Records. Title to all Records and Drawings relating to the Property shall be retained by the Government; provided, however, any Records and Drawings or copies which SCE&G may reasonably require or which SCE&G is legally required to obtain after the Effective Date shall either be delivered to SCE&G or made available to them.

#### H.08 TECHNICAL DIRECTION

- (a) Performance of the work under this Contract shall be subject to the technical direction of the Contracting Officer's Representative(s) identified elsewhere in this Contract. The term "technical direction" is defined to include, without limitations:
  - (1) Directions to the Contractor which redirect the contract or task effort, shift work emphasis between work areas or tasks, require pursuit of certain lines of inquiry, fill in details, or otherwise serve to accomplish contractual statement of work.
- (b) Technical direction must be within the scope of work stated in the contract. The Contracting Officer's Representative is authorized to issue technical direction within the scope of the contract. The Contracting Officer's Representative does not have the authority to, and may not, issue any technical direction which:
  - (1) Constitutes an assignment of additional work outside the Statement of Work;
  - (2) Constitutes a change as defined in the contract clause entitled "Changes";
  - (3) In any manner causes an increase or decrease in the total estimated labor hours or contract price, or the time required for contract performance;

- (4) Changes any of the expressed terms, conditions or specifications of the contract;  
or
  - (5) Interferes with the Contractor's right to perform the terms and conditions of the Contract.
- (c) All technical directions shall be issued in writing by the Contracting Officer's Representative.
- (d) The Contractor shall proceed promptly with the performance of technical directions duly issued by the Contracting Officer's Representative in the manner prescribed by this Section and within his authority under the provisions of this Section. If, in the opinion of the contractor, any instruction or direction by the Contracting Officer's Representative falls within one of the categories defined in (b) (1) through (b) (5) above, the Contractor shall not proceed but shall notify the Contracting Officer in writing within five (5) working days after receipt of any such instruction or direction and shall request the Contracting Officer to modify the contract accordingly. Upon receiving the notification from the Contractor, the Contracting Officer shall:
- (1) Advise the Contractor in writing within 30 days after receipt of the Contractor's letter that the technical direction is within the scope of the contract effort and does not constitute a change under the "Changes" clause of the contract;
  - (2) Inform the Contractor in writing within 30 days after receipt of the Contractor's letter not to perform under the direction and to cancel the directions; or
  - (3) Advise the Contractor within a reasonable time that the Government will issue a written change order.
- (e) A failure of the Contractor and Contracting Officer to agree that the technical direction is within the scope of the Contract, or a failure to agree upon the contract action to be taken with respect thereto shall be subject to the provisions of the clause entitled FAR 52.233-1 DISPUTES-ALTERNATE 1 (JUL 2002).

#### **H.09 CONTRACTOR'S PROGRAM MANAGER**

The Contractor shall designate a Program Manager who will be the Contractor's authorized supervisor for technical and administrative performance of all work hereunder. The Program Manager shall provide the principal point of contact between the Contractor and the Contracting Officer's Representative under this contract. All administrative support for technical personnel required to fulfill the work stated in the contract shall be the responsibility of the Contractor.

The Program Manager shall receive and execute, on behalf of the Contractor, such technical directions as the Contracting Officer's Representative may issue within the terms and conditions of the contract.

**H.10 OBSERVANCE OF LEGAL HOLIDAYS**

(a) The Government observes the following days as holidays:

|                  |                        |
|------------------|------------------------|
| New Years Day    | Martin Luther King Day |
| Presidents' Day  | Memorial Day           |
| Independence Day | Labor Day              |
| Columbus Day     | Veterans Day           |
| Thanksgiving Day | Christmas Day          |

(b) The Contractor agrees to continue to provide sufficient personnel to perform critical tasks already in operation or scheduled and shall be guided by the instructions issued by the Contracting Officer.

**H.11 ADVANCE AGREEMENTS**

The following advance agreements on the treatment of special or unique requirements that may affect or have an impact on the Site's overall mission are agreed to by the parties and shall remain in effect for the duration of the contract unless changes are subsequently negotiated and specifically set forth in a formal contract modification.

- (a) Memorandum of Understanding (MOU) - A Memorandum of Understanding will be developed and coordinated by the COR to identify responsibilities and boundaries related to the Savannah River Site's Management & Operating (M&O) Contractor, SCE&G, and DOE. The MOU will contain contact information, guidance for support services, interface points, training and security requirements, and other non-contract specific information that will be the basis for day-to-day operations.
- (b) Operations and Maintenance Scope Reduction Study -115KV Transmission System, Attachment J.07(b) – The parties agree that SCE&G will complete its review of the Scope Reduction Study and begin to remove from service certain portions of the 115kV Transmission System lines and transformers that are redundant and no longer serve critical processes. The parties further agree that only those portions of the 115 KV Transmission System identified in the study found at Attachment J.07(b) shall be considered for removal and that SCE&G has authority to determine which facilities from the study will be removed. However, the Contractor shall not implement any projects for removal of redundant services without prior coordination with the Department of Energy, Contracting Officer Representative, the Office of Site Services. The DOE acknowledges that not all facilities identified in the study may be taken out of service. In the event SCE&G identifies additional portions of the 115 KV Transmission System it deems appropriate for removal (portions not identified in the study), it will not remove such facilities from service without prior written approval of DOE. Once a portion of the 115 KV Transmission System has been removed, the 115 KV Transmission System lease between DOE and SCE&G will be amended to reflect the change. The parties understand and acknowledge that the removal of any portion of the 115 KV Transmission System will not reduce the cost of the Electrical Operation and Maintenance Fee agreed to under this contract.

### **H.13 KEY PERSONNEL (APR 1984)**

Pursuant to the Clause entitled "Key Personnel," the Contractor's key personnel are as follows:

| NAME                    | TITLE                   |
|-------------------------|-------------------------|
| J. Sidney Ballentine II | Account Manager         |
| David E. Burkhalter     | Manager, Power Delivery |
|                         |                         |
|                         |                         |

The clause entitled "Key Personnel" contains a requirement for notification to the Contracting Officer reasonably in advance of diverting of or substitution for, any of these individuals. That period of time shall not be less than 30 days.

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**CLAUSES INCORPORATED BY REFERENCE**

This contract incorporates the following clauses by reference with the same force and effect as if they were given in full text. Upon request the Contracting Officer will make the full text available.

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## FULL TEXT CLAUSES

### **I.01 FAR 52.252-2 CLAUSES INCORPORATED BY REFERENCE (JUN 1998)**

This contract incorporates one (1) or more clauses by reference with the same force and effect as if they were given in full text. Upon request the Contracting Officer will make the full text available.

### **I.02 FAR 52.216-6 PRICE REDETERMINATION—RETROACTIVE (OCT 1997)**

(a) *General.* The unit price and the total price stated in this contract shall be redetermined in accordance with this clause, but in no event shall the total amount paid under this contract exceed the South Carolina Public Service Commission approved/regulated rates or changes implemented by the PSC during the period of performance of this contract.

(b) *Definition.* "Costs," as used in this clause, means allowable costs in accordance with Part 31 of the Federal Acquisition Regulation (FAR) in effect on the date of this contract.

(c) Data submission.

(1) Within **30 days** after delivery of all supplies to be delivered and completion of all services to be performed under this contract, the Contractor shall submit—

(i) Proposed prices;

(ii) A statement in the format of Table 15-2, FAR 15.408, or in any other form on which the parties may agree, of all costs incurred in performing the contract; and

(iii) Any other relevant data that the Contracting Officer may reasonably require.

(2) If the Contractor fails to submit the data required by paragraph (c)(1) of this section within the time specified, the Contracting Officer may suspend payments under this contract until the data are furnished. If it is later determined that the Government has overpaid the Contractor, the excess shall be repaid to the Government immediately. Unless repaid within 30 days after the end of the data submittal period, the amount of the excess shall bear interest, computed from the date the data were due to the date of repayment, at the rate established in accordance with the Interest clause.

(d) *Price determination.* Upon the Contracting Officer's receipt of the data required by paragraph (c) of this section, the Contracting Officer and the Contractor shall promptly negotiate to redetermine fair and reasonable prices for supplies delivered and services performed by the Contractor under this



contract.

(e) *Contract modification.* The negotiated redetermination of price shall be evidenced by a modification to this contract, signed by the Contractor and the Contracting Officer.

(f) *Adjusting billing prices.* Pending execution of the contract modification (see paragraph (e) of this section), the Contractor shall submit invoices or vouchers in accordance with billing prices stated in this contract. If at any time it appears that the then-current billing prices will be substantially greater than the estimated final prices, or if the Contractor submits data showing that the redetermined prices will be substantially greater than the current billing prices, the parties shall negotiate an appropriate decrease or increase in billing prices. Any billing price adjustment shall be reflected in a contract modification and shall not affect the redetermination of prices under this clause. After the contract modification for price redetermination is executed, the total amount paid or to be paid on all invoices or vouchers shall be adjusted to reflect the agreed-upon prices, and any resulting additional payments, refunds, or credits shall be made promptly.

(g) *Quarterly limitation on payments statement.* This paragraph (g) shall apply until final price redetermination under this contract has been completed.

(1) Within 45 days after the end of the quarter of the Contractor's fiscal year in which a delivery is first made (or services are first performed) and accepted by the Government under this contract, and for each quarter thereafter, the Contractor shall submit to the contract administration office (with a copy to the contracting office and the cognizant contract auditor), a statement, cumulative from the beginning of the contract, showing—

(i) The total contract price of all supplies delivered (or services performed) and accepted by the Government and for which final prices have been established;

(ii) The total costs (estimated to the extent necessary) reasonably incurred for, and properly allocable solely to, the supplies delivered (or services performed) and accepted by the Government and for which final prices have not been established;

(iii) The portion of the total interim profit (used in establishing the initial contract price or agreed to for the purpose of this paragraph (g)) that is in direct proportion to the supplies delivered (or services performed) and accepted by the Government and for which final prices have not been established; and

(iv) The total amount of all invoices or vouchers for supplies delivered (or services performed) and accepted by the Government (including amounts applied or to be applied to liquidate progress payments).

- (2) Notwithstanding any provision of this contract authorizing greater payments, if on any quarterly statement the amount under subdivision (g)(1)(iv) of this section exceeds the sum due the Contractor, as computed in accordance with subdivisions (g)(1)(i), (ii), and (iii) of this section, the Contractor shall immediately refund or credit to the Government the amount of this excess. The Contractor may, when appropriate, reduce this refund or credit by the amount of any applicable tax credits due the contractor under 26 U.S.C. 1481 and by the amount of previous refunds or credits effected under this clause. If any portion of the excess has been applied to the liquidation of progress payments, then that portion may, instead of being refunded, be added to the unliquidated progress payment account, consistent with the Progress Payments clause. The Contractor shall provide complete details to support any claimed reduction in refunds.
- (3) If the Contractor fails to submit the quarterly statement within 45 days after the end of each quarter and it is later determined that the Government has overpaid the Contractor, the Contractor shall repay the excess to the Government immediately. Unless repaid within 30 days after the end of the statement submittal period, the amount of the excess shall bear interest, computed from the date the quarterly statement was due to the date of repayment, at the rate established in accordance with the Interest clause.
- (h) *Subcontracts.* No subcontract placed under this contract may provide for payment on a cost-plus-a-percentage-of-cost basis.
- (i) *Disagreements.* If the Contractor and the Contracting Officer fail to agree upon redetermined prices within 60 days (or within such other period as the parties agree) after the date on which the data required by paragraph (c) of this section are to be submitted, the Contracting Officer shall promptly issue a decision in accordance with the Disputes clause. For the purpose of paragraphs (e), (f), and (g) of this section, and pending final settlement of the disagreement on appeal, by failure to appeal, or by agreement, this decision shall be treated as an executed contract modification.
- (j) *Termination.* If this contract is terminated before price redetermination, prices shall be established in accordance with this clause for completed supplies and services not terminated. All other elements of the termination shall be resolved in accordance with other applicable clauses of this contract.

**I.03 FAR 52.232-33 PAYMENT BY ELECTRONIC FUNDS TRANSFER—CENTRAL CONTRACTOR REGISTRATION (OCT 2003)**

**(a) Method of payment.**

- (1) All payments by the Government under this contract shall be made by electronic funds transfer (EFT), except as provided in paragraph (a)(2) of this clause. As used in this clause, the term "EFT" refers to the funds transfer and

may also include the payment information transfer.

- (2) In the event the Government is unable to release one or more payments by EFT, the Contractor agrees to either—
  - (i) Accept payment by check or some other mutually agreeable method of payment; or
  - (ii) Request the Government to extend the payment due date until such time as the Government can make payment by EFT (but see paragraph (d) of this clause).
- (b) *Contractor's EFT information.* The Government shall make payment to the Contractor using the EFT information contained in the Central Contractor Registration (CCR) database. In the event that the EFT information changes, the Contractor shall be responsible for providing the updated information to the CCR database.
- (c) *Mechanisms for EFT payment.* The Government may make payment by EFT through either the Automated Clearing House (ACH) network, subject to the rules of the National Automated Clearing House Association, or the Fedwire Transfer System. The rules governing Federal payments through the ACH are contained in 31 CFR Part 210.
- (d) *Suspension of payment.* If the Contractor's EFT information in the CCR database is incorrect, then the Government need not make payment to the Contractor under this contract until correct EFT information is entered into the CCR database; and any invoice or contract financing request shall be deemed not to be a proper invoice for the purpose of prompt payment under this contract. The prompt payment terms of the contract regarding notice of an improper invoice and delays in accrual of interest penalties apply.
- (e) *Liability for uncompleted or erroneous transfers.*
  - (1) If an uncompleted or erroneous transfer occurs because the Government used the Contractor's EFT information incorrectly, the Government remains responsible for—
    - (i) Making a correct payment;
    - (ii) Paying any prompt payment penalty due; and
    - (iii) Recovering any erroneously directed funds.
  - (2) If an uncompleted or erroneous transfer occurs because the Contractor's EFT information was incorrect, or was revised within 30 days of Government release of the EFT payment transaction instruction to the Federal Reserve System, and—
    - (i) If the funds are no longer under the control of the payment office, the Government is deemed to have made payment and the Contractor is

responsible for recovery of any erroneously directed funds; or

- (ii) If the funds remain under the control of the payment office, the Government shall not make payment, and the provisions of paragraph (d) of this clause shall apply.
- (f) *EFT and prompt payment.* A payment shall be deemed to have been made in a timely manner in accordance with the prompt payment terms of this contract if, in the EFT payment transaction instruction released to the Federal Reserve System, the date specified for settlement of the payment is on or before the prompt payment due date, provided the specified payment date is a valid date under the rules of the Federal Reserve System.
- (g) *EFT and assignment of claims.* If the Contractor assigns the proceeds of this contract as provided for in the assignment of claims terms of this contract, the Contractor shall require as a condition of any such assignment, that the assignee shall register separately in the CCR database and shall be paid by EFT in accordance with the terms of this clause. Notwithstanding any other requirement of this contract, payment to an ultimate recipient other than the Contractor, or a financial institution properly recognized under an assignment of claims pursuant to Subpart 32.8, is not permitted. In all respects, the requirements of this clause shall apply to the assignee as if it were the Contractor. EFT information that shows the ultimate recipient of the transfer to be other than the Contractor, in the absence of a proper assignment of claims acceptable to the Government, is incorrect EFT information within the meaning of paragraph (d) of this clause.
- (h) *Liability for change of EFT information by financial agent.* The Government is not liable for errors resulting from changes to EFT information made by the Contractor's financial agent.
- (i) *Payment information.* The payment or disbursing office shall forward to the Contractor available payment information that is suitable for transmission as of the date of release of the EFT instruction to the Federal Reserve System. The Government may request the Contractor to designate a desired format and method(s) for delivery of payment information from a list of formats and methods the payment office is capable of executing. However, the Government does not guarantee that any particular format or method of delivery is available at any particular payment office and retains the latitude to use the format and delivery method most convenient to the Government. If the Government makes payment by check in accordance with paragraph (a) of this clause, the Government shall mail the payment information to the remittance address contained in the CCR database.

**I.04 52.233-2 SERVICE OF PROTEST (AUG 1996)/DEAR 952.233-2 – SERVICE OF PROTEST**

- (a) Protests, as defined in FAR 33.101, Definitions, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office, shall be served on the Contracting Officer (addressed as follows) by

obtaining written and dated acknowledgment of receipt from:

Contracting Officer  
U. S. Department of Energy  
Savannah River Operations Office  
Office of Contracts Management  
SRS Road 1, Building 730-B (for hand delivery/Express mail) or P.O. Box A (if using U.S. Mail)  
Aiken, SC 29802

- (b) The copy of any protest shall be received in the office designated above within one day of filing protest with the General Accounting Office.
- (c) Another copy of a protest filed with the General Accounting Office shall be furnished to the following address within the time periods described in paragraph (b) of this Provision:

U.S. Department of Energy  
Assistant General Counsel for Procurement and Financial Assistance (GC-61)  
1000 Independence Avenue, S.W.  
Washington, DC 20585  
FAX: (202) 586-4546

#### **I.05 FAR 52.241-3 SCOPE AND DURATION OF CONTRACT (FEB 1995)**

- (a) For the period (five (5) years from the effective date of award with 3 one-year options, [insert period of service] the Contractor agrees to furnish and the Government agrees to purchase Utility Service [insert type of service] utility service in accordance with the applicable tariff(s), rules, and regulations as approved by the applicable governing regulatory body and as set forth in the contract.
- (b) It is expressly understood that neither the Contractor nor the Government is under any obligation to continue any service under the terms and conditions of this contract beyond the expiration date.
- (c) The Contractor shall provide the Government with one complete set of rates, terms, and conditions of service which are in effect as of the date of this contract and any subsequently approved rates.
- (d) The Contractor shall be paid at the applicable rate(s) under the tariff and the Government shall be liable for the minimum monthly charge, if any, specified in this contract commencing with the period in which service is initially furnished and continuing for the term of this contract. Any minimum monthly charge specified in this contract shall be equitably prorated for the periods in which commencement and termination of this contract become effective.

**I.06 FAR 52.241-6 SERVICE PROVISIONS (FEB 1995)**

## (a) Measurement of service.

- (1) All service furnished by the Contractor shall be measured by suitable metering equipment of standard manufacture, to be furnished, installed, maintained, repaired, calibrated, and read by the Contractor at its expense. When more than a single meter is installed at a service location, the readings thereof may be billed conjunctively, if appropriate. In the event any meter fails to register (or registers incorrectly) the service furnished, the parties shall agree upon the length of time of meter malfunction and the quantity of service delivered during such period of time. An appropriate adjustment shall be made to the next invoice for the purpose of correcting such errors. However, any meter which registers not more than 2% percent slow or fast shall be deemed correct.
- (2) The Contractor shall read all meters at periodic intervals of approximately 30 days or in accordance with the policy of the cognizant regulatory body or applicable bylaws. All billings based on meter readings of less than 26 days shall be prorated accordingly.

## (b) Meter test.

- (1) The Contractor, at its expense, shall periodically inspect and test Contractor-installed meters at intervals not exceeding 1 year(s). The Government has the right to have representation during the inspection and test.
- (2) At the written request of the Contracting Officer, the Contractor shall make additional tests of any or all such meters in the presence of Government representatives. The cost of such additional tests shall be borne by the Government if the percentage of errors is found to be not more than 2 percent slow or fast.
- (3) No meter shall be placed in service or allowed to remain in service which has an error in registration in excess of 2 percent under normal operating conditions.

(c) *Change in volume or character.* Reasonable notice shall be given by the Contracting Officer to the Contractor regarding any material changes anticipated in the volume or characteristics of the utility service required at each location.(d) *Continuity of service and consumption.* The Contractor shall use reasonable diligence to provide a regular and uninterrupted supply of service at each service location, but shall not be liable for damages, breach of contract or otherwise, to the Government for failure, suspension, diminution, or other variations of service occasioned by or in consequence of any cause beyond the control of the Contractor, including but not limited to acts of God or of the public enemy, fires, floods, earthquakes, or other catastrophe, strikes, or failure or breakdown of transmission or other facilities. If any such failure, suspension, diminution, or other variation of service shall aggregate more than 10 hour(s) during any billing period hereunder, an equitable

adjustment shall be made in the monthly billing specified in this contract (including the minimum monthly charge).

**I.07 FAR 52.241-7 CHANGE IN RATES OR TERMS AND CONDITIONS OF SERVICE FOR REGULATED SERVICES (FEB 1995)**

- (a) This clause applies to the extent services furnished under this contract are subject to regulation by a regulatory body. The Contractor agrees to give written notice of (1) the filing of an application for change in rates or terms and conditions of service concurrently with the filing of the application and (2) any changes pending with the regulatory body as of the date of contract award. Such notice shall fully describe the proposed change. If, during the term of this contract, the regulatory body having jurisdiction approves any changes, the Contractor shall forward to the Contracting Officer a copy of such changes within 15 days after the effective date thereof. The Contractor agrees to continue furnishing service under this contract in accordance with the amended tariff, and the Government agrees to pay for such service at the higher or lower rates as of the date when such rates are made effective.
- (b) The Contractor agrees that throughout the life of this contract the applicable published and unpublished rate schedule(s) shall not be in excess of the lowest cost published and unpublished rate schedule(s) available to any other customers of the same class under similar conditions of use and service.
- (c) In the event that the regulatory body promulgates any regulation concerning matters other than rates which affects this contract, the Contractor shall immediately provide a copy to the Contracting Officer. The Government shall not be bound to accept any new regulation inconsistent with Federal laws or regulations.
- (d) Any changes to rates or terms and conditions of service shall be made a part of this contract by the issuance of a contract modification unless otherwise specified in the contract. The effective date of the change shall be the effective date by the regulatory body. Any factors not governed by the regulatory body will have an effective date as agreed to by the parties.

**I.08 DEAR 952.204-2 SECURITY (MAY 2002)**

- (a) Responsibility. It is the contractor's duty to safeguard all classified information, special nuclear material, and other DOE property. The contractor shall, in accordance with DOE security regulations and requirements, be responsible for safeguarding all classified information and protecting against sabotage, espionage, loss or theft of the classified documents and material in the contractor's possession in connection with the performance of work under this contract. Except as otherwise expressly provided in this contract, the contractor shall, upon completion or termination of this contract, transmit to DOE any classified matter in the possession of the contractor or any person under the contractor's control in connection with performance of this contract. If retention by the contractor of any classified matter is required after the completion or termination of the contract, the contractor shall identify the items and types or categories of matter proposed for retention, the reasons for the retention of the

matter, and the proposed period of retention. If the retention is approved by the contracting officer, the security provisions of the contract shall continue to be applicable to the matter retained. Special nuclear material shall not be retained after the completion or termination of the contract.

- (b) Regulations. The contractor agrees to comply with all security regulations and requirements of DOE in effect on the date of award.
- (c) Definition of classified information. The term 'classified information' means Restricted Data, Formerly Restricted Data, or National Security Information.
- (d) Definition of restricted data. The term 'Restricted Data' means all data concerning (1) design, manufacture, or utilization of atomic weapons; (2) the production of special nuclear material in production of energy, but shall not include data declassified or removed from the Restricted Data category pursuant to Section 142 of the Atomic Energy Act of 1954, as amended.
- (e) Definition of formerly restricted data. The term 'Formerly Restricted Data' means all data removed from the Restricted Data category under section 142 d. of the Atomic Energy Act of 1954, as amended.
- (f) Definition of National Security Information. The term 'National Security Information' means any information or material, regardless of its physical form or characteristics, that has been determined pursuant to Executive Order 12356 or prior Orders to require protection against unauthorized disclosure, and which is so designated.
- (g) Definition of Special Nuclear Material (SNM). SNM means: (1) plutonium, uranium enriched in the isotope 233 or in the isotope 235, and any other material which pursuant to the provisions of Section 51 of the Atomic Energy Act of 1954, as amended, has been determined to be special nuclear material, but does not include source material; or (2) any material artificially enriched by any of the foregoing, but does not include source material.
- (h) Security clearance of personnel. The contractor shall not permit any individual to have access to any classified information, except in accordance with the Atomic Energy Act of 1954, as amended, Executive Order 12356, and the DOE's regulations or requirements applicable to the particular level and category of classified information to which access is required.
- (i) Criminal liability. It is understood that disclosure of any classified information relating to the work or services ordered hereunder to any person not entitled to receive it, or failure to safeguard any classified information that may come to the contractor or any person under the contractor's control in connection with work under this contract, may subject the contractor, its agents, employees, or subcontractors to criminal liability under the laws of the United States. (See the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 et seq.; 18 U.S.C. 793 and 794; and E.O. 12356.)



## (j) Foreign Ownership, Control or Influence.

- (1) The Contractor shall immediately provide the cognizant security office written notice of any change in the extent and nature of foreign ownership, control or influence over the contractor which would affect any answer to the questions presented in the Certificate Pertaining to Foreign Interests, Standard Form 328 or the Foreign Ownership, Control or Influence questionnaire executed by the Contractor prior to the award of this contract. In addition, any notice of changes in ownership or control which are required to be reported to the Securities and Exchange Commission, the Federal Trade Commission, or the Department of Justice shall also be furnished concurrently to the Contracting Officer.
- (2) If a Contractor has changes involving foreign ownership, control or influence, DOE must determine whether the changes will pose an undue risk to the common defense and security. In making this determination, DOE will consider proposals made by the Contractor to avoid or mitigate foreign influences.
- (3) If the cognizant security office at any time determines that the Contractor is, or is potentially, subject to foreign ownership, control or influence, the Contractor shall comply with such instructions as the Contracting Officer shall provide in writing to safeguard any classified information or special nuclear material.
- (4) The Contractor agrees to insert terms that conform substantially to the language of this clause, including this paragraph, in all subcontracts under this contract that will require subcontractor employees to possess access authorizations. Additionally, the Contractor must require subcontractors to have an existing DOD or DOE Facility Clearance or submit a completed Certificate Pertaining to Foreign Interests, Standard Form 328, required in DEAR 952.204-73 prior to award of a subcontract.
- (5) The Contracting Officer may terminate this contract for default either if the Contractor fails to meet obligations imposed by this clause or if the Contractor creates a FOCI situation in order to avoid performance or a termination for default. The Contracting Officer may terminate this contract for convenience if the Contractor becomes subject to FOCI and for reasons other than avoidance of performance of the contract, cannot, or chooses not to, avoid or mitigate the FOCI problem.

**I.09 DEAR 952.204-70 CLASSIFICATION/DECLASSIFICATION (SEP 1997)**

In the performance of the work under this contract, the contractor or subcontractor shall comply with all provisions of the Department of Energy's regulations and mandatory DOE directives which apply to work involving the classification and declassification of information, documents, or material. In this section, 'information' means facts, data, or

knowledge itself; 'document' means the physical medium on or in which information is recorded; and 'material' means a product or substance which contains or reveals information, regardless of its physical form or characteristics. Classified information is 'Restricted Data' and 'Formerly Restricted Data' (classified under the Atomic Energy Act of 1954, as amended) and 'National Security Information' (classified under Executive Order 12958 or prior Executive Orders).

The original decision to classify or declassify information is considered an inherently Governmental function. For this reason, only Government personnel may serve as original classifiers, i.e., Federal Government Original Classifiers. Other personnel (Government or contractor) may serve as derivative classifiers which involves making classification decisions based upon classification guidance which reflect decisions made by Federal Government Original Classifiers.

The contractor or subcontractor shall ensure that any document or material that may contain classified information is reviewed by either a Federal Government or a Contractor Derivative Classifier in accordance with classification regulations including mandatory DOE directives and classification/declassification guidance furnished to the contractor by the Department of Energy to determine whether it contains classified information prior to dissemination. For information which is not addressed in classification/declassification guidance, but whose sensitivity appears to warrant classification, the contractor or subcontractor shall ensure that such information is reviewed by a Federal Government Original Classifier.

In addition, the contractor or subcontractor shall ensure that existing classified documents (containing either Restricted Data or Formerly Restricted Data or National Security Information) which are in its possession or under its control are periodically reviewed by a Federal Government or Contractor Derivative Classifier in accordance with classification regulations, mandatory DOE directives and classification/declassification guidance furnished to the contractor by the Department of Energy to determine if the documents are no longer appropriately classified. Priorities for declassification review of classified documents shall be based on the degree of public and researcher interest and the likelihood of declassification upon review. Documents that no longer contain classified information are to be declassified. Declassified documents then shall be reviewed to determine if they are publicly releasable. Documents that are declassified and determined to be publicly releasable are to be made available to the public in order to maximize the public's access to as much Government information as possible while minimizing security costs.

The contractor or subcontractor shall insert this clause in any subcontract which involves or may involve access to classified information.

#### **I.10 DEAR 952.208-70 PRINTING (APR 1984)**

The Contractor shall not engage in, nor subcontract for any printing (as that term is defined in Title I of the U.S. Government Printing and Binding Regulations in effect on the effective date of this contract) in connection with the performance of work under this contract. Provided, however, that performance of a requirement under this contract involving the duplication of less than 5,000 copies of a single unit, or no more than

25,000 units in the aggregate of multiple units, will not be deemed to be printing. A unit is defined as one sheet, size 8 1/2 by 11 inches one side only, one color. A requirement is defined as a single publication document.

- (1) The term 'printing' includes the following processes: composition, plate making, presswork, binding, microform publishing, or the end items produced by such processes.
- (2) If fulfillment of the contract will necessitate reproduction in excess of the limits set forth above, the Contractor shall notify the contracting officer in writing and obtain the contracting officer's approval prior to acquiring on DOE's behalf production, acquisition, and dissemination of printed matter. Such printing must be obtained from the Government Printing Office (GPO), a contract source designated by GPO or a Joint Committee on Printing authorized federal printing plant.
- (3) Printing services not obtained in compliance with this guidance will result in the cost of such printing being disallowed.
- (4) The Contractor will include in each of his subcontracts hereunder a provision substantially the same as this clause including this paragraph (4).

#### **I.11 DEAR 952.209-72 ORGANIZATIONAL CONFLICTS OF INTEREST (JUN 1997)**

(a) Purpose. The purpose of this clause is to ensure that the contractor--

- (1) is not biased because of its financial, contractual, organizational, or other interests which relate to the work under this contract, and
- (2) does not obtain any unfair competitive advantage over other parties by virtue of its performance of this contract.

(b) Scope.

The restrictions described herein shall apply to performance or participation by the contractor and any of its affiliates or their successors in interest (hereinafter collectively referred to as 'contractor') in the activities covered by this clause as a prime contractor, subcontractor, cosponsor, joint venturer, consultant, or in any similar capacity. For the purpose of this clause, affiliation occurs when a business concern is controlled by or has the power to control another or when a third party has the power to control both.

(1) Use of Contractor's Work Product.

- (i) The contractor shall be ineligible to participate in any capacity in Department contracts, subcontracts, or proposals therefor (solicited and unsolicited) which stem directly from the contractor's performance of work under this contract for a period of (Contracting Officer see DEAR 9.507-2 and enter specific term) years after the completion of this contract. Furthermore, unless so directed in writing by the contracting officer, the Contractor shall not perform any advisory and assistance services work under this contract on any of its products or services or the products or services of another firm if the contractor is or has been substantially involved in their development or marketing. Nothing in this subparagraph shall preclude the contractor from competing for follow-on contracts for advisory and assistance services.
- (ii) If, under this contract, the contractor prepares a complete or essentially

complete statement of work or specifications to be used in competitive acquisitions, the contractor shall be ineligible to perform or participate in any capacity in any contractual effort which is based on such statement of work or specifications. The contractor shall not incorporate its products or services in such statement of work or specifications unless so directed in writing by the contracting officer, in which case the restriction in this subparagraph shall not apply.

(iii) Nothing in this paragraph shall preclude the contractor from offering or selling its standard and commercial items to the Government.

(2) Access to and use of information.

(i) If the contractor, in the performance of this contract, obtains access to information, such as Department plans, policies, reports, studies, financial plans, internal data protected by the Privacy Act of 1974 (5 U.S.C. 552a), or data which has not been released or otherwise made available to the public, the contractor agrees that without prior written approval of the contracting officer it shall not:

- (A) use such information for any private purpose unless the information has been released or otherwise made available to the public;
- (B) compete for work for the Department based on such information for a period of six (6) months after either the completion of this contract or until such information is released or otherwise made available to the public, whichever is first;
- (C) submit an unsolicited proposal to the Government which is based on such information until one year after such information is released or otherwise made available to the public; and
- (D) release such information unless such information has previously been released or otherwise made available to the public by the Department.

(i) In addition, the contractor agrees that to the extent it receives or is given access to proprietary data, data protected by the Privacy Act of 1974 (5 U.S.C. 552a), or other confidential or privileged technical, business, or financial information under this contract, it shall treat such information in accordance with any restrictions imposed on such information.

(ii) The contractor may use technical data it first produces under this contract for its private purposes consistent with paragraphs (b)(2)(i) (A) and (D) of this clause and the patent, rights in data, and security provisions of this contract.

(c) Disclosure after award.

(1) The contractor agrees that, if changes, including additions, to the facts disclosed by it prior to award of this contract, occur during the performance of this contract, it shall make an immediate and full disclosure of such changes in writing to the

contracting officer. Such disclosure may include a description of any action which the contractor has taken or proposes to take to avoid, neutralize, or mitigate any resulting conflict of interest. The Department may, however, terminate the contract for convenience if it deems such termination to be in the best interest of the Government.

(3) In the event that the contractor was aware of facts required to be disclosed or the existence of an actual or potential organizational conflict of interest and did not disclose such facts or such conflict of interest to the contracting officer, DOE may terminate this contract for default.

(d) Remedies. For breach of any of the above restrictions or for nondisclosure or misrepresentation of any facts required to be disclosed concerning this contract, including the existence of an actual or potential organizational conflict of interest at the time of or after award, the Government may terminate the contract for default, disqualify the contractor from subsequent related contractual efforts, and pursue such other remedies as may be permitted by law or this contract.

(e) Waiver. Requests for waiver under this clause shall be directed in writing to the contracting officer and shall include a full description of the requested waiver and the reasons in support thereof. If it is determined to be in the best interests of the Government, the contracting officer may grant such a waiver in writing.

#### **I.12 DEAR 952.235-70 KEY PERSONNEL (APR 1994)**

The personnel specified in Section H.14 to this contract are considered to be essential to the work being performed hereunder. Prior to diverting any of the specified individuals to other programs, the Contractor shall notify the contracting officer reasonably in advance and shall submit justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the program. No diversion shall be made by the contractor without the written consent of the contracting officer, provided that the contracting officer may ratify in writing such diversion and such ratification shall constitute the consent of the contracting officer required by this clause. The attachment to this contract may be amended from time to time during the course of the contract to either add or delete personnel, as appropriate.

**PART III – LIST OF ATTACHMENTS, EXHIBITS AND DOCUMENTS**

**SECTION J**

**LIST OF ATTACHMENTS**

| <b><u>Attachment</u></b> | <b><u>Description</u></b>  | <b><u>NUMBER OF<br/>PAGES</u></b> |
|--------------------------|--|-----------------------------------|
| J.01                     | Leases (Copy from Contract No. DE-AC09-95SR18531)<br>*Lease of Electrical Transmission Lines and Substations<br>(14 pages) | 46                                |
| J.02                     | Rates 23, Industrial Power Service (11 pages)  | 47                                |
| J.03                     | Electrical Load Forecasts (3 pages)  | 48                                |
| J.07                     | WSRC's Report, O&M Scope Reduction Study – 115KV<br>Transmission System (8 pages)  | 49                                |

**\*NOTE: TRANSMISSION SUBSTATIONS (EXHIBIT A, MAP(S) AND DRAWING(S) TO ATTACHMENT J.01 COPIES ON FILE AT THE DEPARTMENT OF ENERGY, OFFICE OF CONTRACTS MANAGEMENT). IF APPLICAPBLE, COPIES OF THE DOCUMENTS WILL BE PROVIDED TO THE CONTRACTOR UPON REQUEST).  
POINT OF CONTRACT: SEE SECTION G.01 OR G.02 OF SUBJECT CONTRACT.**

Attachment J.01

Lease of Electrical Transmission Lines and  
Substations  
(14 pages)

**Transmission Substations (Exhibit A, maps 2/pages (under separate cover)**

**DEPARTMENT OF ENERGY LEASE  
Transmission Facilities and Substations  
Savannah River Site**

**NO. DE-RO09-95SR18531**

**THIS LEASE**, made on behalf of the United States, between the Department of Energy, hereinafter referred to as DOE, and the South Carolina Electric & Gas Company an electric utility company operating under South Carolina Code of Laws, Section 58-27-620, hereinafter referred to as SCE&G.

**WITNESSETH:**

That DOE by the authority of Section 161g of the Atomic Energy Act as amended, 42 U.S.C. 2201(g), and for the consideration set forth, hereby leases to the SCE&G certain tract(s) of real property situated at the Savannah River Site (SRS), in Aiken, Barnwell, and Allendale County, South Carolina constituting the following parcels:

Substations and Transmission Facilities, as described in Exhibit A, herein after referred to as the Transmission Facilities.

(said parcels of real property being collectively referred to from time to time as the "property"); together with all and singular the rights and appurtenances pertaining to such property, including such easements, rights-of-way, privileges, facility utilization rights and appurtenances, including:

(i) all improvements, structures and fixtures now constructed and completed or under construction with respect to and situated on the property and

(ii) Rights-of-way and easements to land associated with Substations and Transmission Facilities.

c. In addition, DOE assigns and transfers to SCE&G for its use in operating the Facilities during the Lease Term its rights in and to the following:

(i) Inventory and Equipment, unique to the operation of the leased facilities in Exhibit A, including transformers described in Exhibit B

(ii) Permits, to the extent assignable;

(iii) Any and all assignable warranties and/or guaranties relating to the Property or any portion thereof; and



All of the foregoing items other than the Real Property are hereinafter collectively called the "Personal Property." The Real Property and the Personal Property shall be collectively hereinafter referred to as the "Property."

**THIS LEASE** is granted subject to the following terms and conditions:

## **1. TERM**

a. This lease is granted for a term of *forty (40) years*, beginning October 1, 1995 or the effective date of the Utility Contract, Contract No. DE-AC09-95SR18531, whichever is later.

b. Except for cancellation in accordance herewith as to portions of the Transmission Facilities, the rights granted hereby shall be canceled upon the completion of the Lease Term. SCE&G agrees, upon any such termination (partial or in whole) or upon completion of the Lease Term, to quit and surrender the Facilities or the portion affected thereby and that all title and interest in the facilities shall vest in the DOE free and clear of the encumbrance of this Agreement.

c. During the Lease Term, SCE&G shall have complete control over the Facilities and their operation which shall be operated pursuant to SCE&G's policies, practices and procedures, and all Governmental Requirements applicable to SCE&G. It being understood that SCE&G operations as contemplated hereunder will not subject it to DOE's orders or oversight, except as may be expressly stated herein, or as later negotiated between the parties.

d. Personal property, inventory, parts, and equipment related directly to the operation and maintenance of leased facilities will be made available to SCE&G. Transformers to be included in the lease are described in Exhibit B. Accountable property and installed equipment will be itemized in Exhibit C.

## **2. CONSIDERATION**

a. SCE&G shall pay rental in advance to the United States in the amount of \$150,000 annually, payable by a credit on DOE's utility bill in the month that the lease payment is due. After the first year, the lease payment shall be escalated at 3.5% per year. If DOE discontinues purchase of utilities from SCE&G prior to the completion of the lease term, SCE&G shall make payment to the order of the Finance and Accounting Officer, Savannah River Operations Office, P.O. Box A, Aiken S.C. 29802.

b. All rent and other payments due under the terms of this lease must be paid on or before the date they are due in order to avoid the mandatory sanctions imposed by the Debt Collection Act of 1982, (31 U.S.C. Section 3717). This statute requires the imposition of an interest charge for the late payment of debts owed to the United States; an administrative charge to cover the costs of processing and handling delinquent debts; and the assessment of an additional penalty charge on any portion of a debt that is more than 90 days past due. The provisions of the statute will be implemented as follows:

(1) The United States will impose an interest charge, the amount to be determined by law or regulation, on late payment of debts. Interest will accrue from the due date. An administrative charge to cover the cost of processing and handling each payment will also be imposed.

(2) In addition to the charges set forth above, the United States will impose a penalty charge of six percent (6%) per annum on any payment, or portion thereof, more than ninety (90) days past due. The penalty shall accrue from the date of the delinquency and will continue to accrue until the debt is paid in full.

(3) All payments credited will be applied first to any accumulated interest, administrative and penalty charges and then to any unpaid rental or other payment balance. Interest will not accrue on any administrative or late payment penalty charge.

c. Until the SCADA system modifications are complete, not to exceed 18 months, SCE&G shall have access to the SRS dispatcher, via direct telephone line, who will dispatch power per SCE&G instructions.

### 3. NOTICES

Any notice required or permitted to be delivered hereunder shall be in writing, signed by the party giving such notice or its attorney at law, and shall be deposited in the United States mail, postage prepaid, registered or certified mail, return receipt requested, personally delivered or sent by express courier, addressed to the party to whom such notice is sent at the addresses set forth below:

DOE:                    US Department of Energy  
                             P.O. Box A  
                             Aiken, SC 29802

with copies to:      US Department of Energy  
                             Assistant Manager, Engineering and Projects  
                             P.O. Box A  
                             Aiken, SC 29802

SCE&G:                Mr. Mitchell S. Tibshrany, Jr.  
                             Vice President  
                             South Carolina Electric & Gas Co.  
                             1426 Main Street. 14th Floor  
                             Columbia, SC 29218

with copies to:

Mr. Belton T. Zeigler  
General Counsel  
South Carolina Electric & Gas Co.  
1426 Main Street, 10th Floor  
Columbia, SC 29218

#### **4. AUTHORIZED REPRESENTATIVES**

Except as otherwise specifically provided, any reference hereinto "the Government's contracting officer", "Manager", shall include their duly authorized representatives. "Manager" means the Manager of the Savannah River Operations Office. Any reference to "SCE&G" shall include any of SCE&G's, subcontractors, assignees, transferees, successors and their duly authorized representatives.

#### **5. APPLICABLE LAWS AND REGULATIONS**

SCE&G shall comply with all Federal, State, county and municipal laws, ordinances and regulations applicable to all leased property as are applicable to SCE&G in the operation of its transmission facilities. SCE&G shall be responsible for obtaining all necessary permits. SCE&G shall be liable for permit excursions and violations of its operating permits from the effective date of this lease and shall be responsible for all fines, penalties and damages resulting from noncompliance with these requirements beginning from the date of execution of this lease.

#### **6. CONDITION OF PROPERTY**

SCE&G acknowledges that it has inspected the property, knows its condition, and understands that the same is leased without any representations or warranties except as set forth in this lease and the contract, without obligation on the part of the United States to make any alterations, repairs, or additions thereto.

#### **7. TRANSFERS AND ASSIGNMENTS**

Without prior written approval of the Manager, SCE&G shall neither transfer nor assign this lease, nor sublet the property or any part thereof, nor grant any interest, privilege or license whatsoever in connection with this lease. Failure to comply with this condition shall constitute a noncompliance for which the lease may be revoked immediately by the Manager. DOE will respond within 60 days to SCE&G written requests under this section. This section shall not apply to transfers, subletting, or subcontracting to companies or entities wholly owned by SCANA Corporation, the parent company of SCE&G.

#### **8. DOE RIGHT TO SERVICE VIA THE PROPERTY**

a. The parties recognize and agree that the substations and Transmission Facilities described in Exhibit A have been constructed to serve the electrical loads of DOE at the Savannah River Site (SRS). This includes the transmission lines that serve SRS and which have

been dedicated to the sole use of SRS under the terms of Contract DE-AC09-89SR18095 between SCE&G and DOE dated November 8, 1989.

b. Through the term of this lease, SCE&G agrees to operate and maintain the transmission facilities to the same standard as SCE&G owned transmission facilities. At the conclusion of contract DE-AC09-95SR18531, the Government agrees to negotiate a maintenance fee for SCE&G's continued maintenance of the transmission facilities. The Transmission Facilities are to be used first to serve the electrical loads of SRS, recognizing that loop flow is part of the use the transmission capacity. In the event that DOE purchases power and energy from an alternate supplier, the entire transfer capacity of these Transmission Facilities shall be dedicated first to meeting SRS loads, and SCE&G shall have the right to use any remaining capacity for its own general use.

c. If SCE&G operates the D-Area Powerhouse or any other power plant on the SRS for the purpose of providing power and energy to the SCE&G grid, and if the Transmission Facilities are inadequate, for any reason except as described below, to meet the operational requirements of SCE&G and serve DOE's electrical loads; SCE&G shall at its own expense provide all necessary expansions and upgrades of the Transmission Facilities to meet the combined requirements of DOE and SCE&G.

d. If, due to new facilities, SRS load grows beyond the capacity of the Transmission Facilities, an additional agreement will be necessary to fulfill DOE needs.

e. In the event DOE obtains power from other sources, it shall pay applicable wheeling rates only over SCE&G's portion of the transmission system.

## **9. DAMAGE AND CONDEMNATION**

a. SCE&G shall pay and have responsibility for all insurance of the Facilities. All insurance policies shall be in such amounts as deemed proper by SCE&G.

b. If any portion of the property is damaged by fire or other casualty before the effective date, DOE shall give notice thereof to SCE&G. If the damage is in excess of \$500,000 or affects the operation of the property, SCE&G may elect not to lease the property as of the effective date, DOE may elect not to lease the property or proceed to repair said damage. The effective date shall be the date the damage is repaired and the affected portion of the property becomes operational. If the damage may be repaired for a sum less than \$500,000, then DOE, at DOE's option shall either repair the damage or shall make funds available for SCE&G to repair said damage and SCE&G shall proceed to so repair the damage, and this Agreement shall be effective as herein provided.

c. If after the effective date of this lease, the Transmission Facilities are destroyed or substantially damaged, SCE&G will restore the system to capacity existing on the effective date, or as otherwise agreed upon by parties.

(2) In the event either party cancels this Agreement as provided in subsection(1) above, insurance proceeds shall be paid to SCE&G and DOE in accordance with their insurable interests.

d. Condemnation.

(1) In the event that the whole of SCE&G's interest in the Facilities shall be condemned or taken in any manner, this Agreement shall forthwith cease and *cancel*.

(2) If only a portion of SCE&G's interest in the Facilities shall be condemned or taken, but in SCE&G's reasonable opinion the taking makes it economically unfeasible for SCE&G to continue to operate the Facilities in the manner immediately prior to the taking, then SCE&G, by giving ninety (90) days written notice to DOE, may *cancel* this Agreement.

(3) In the event of condemnation of SCE&G's interest in the Facilities, or any portion thereof, the provisions hereof shall not affect or limit either DOE's or SCE&G's rights to compensation for any such taking.

## 10. INDEMNITY

(a) SCE&G, by acceptance of this lease, agrees that it shall be liable for environmental liabilities (included but not limited to, corrective action costs, attorneys fees, consultant fees and/or expert fees) which arise during or after the term of the lease from or in connection with the release of hazardous substances in the air, soil, water, groundwater on or under the Leased Property or premises which SCE&G is allowed to use under the Lease, resulting from SCE&G's use or occupancy of the Leased property. SCE&G agrees that it shall also indemnify and hold harmless the Government, DOE, contractors of DOE, and authorized representatives of DOE, from any claims, costs or liabilities associated with the inability of SCE&G to comply with applicable environmental laws.

(b) DOE shall remain liable for any environmental liabilities (including but not limited to, corrective action costs, attorneys fees, consultant and/or expert witness fees) which arise from or in connection with the release of hazardous substances in the air, soil, water, groundwater on or under the Leased Property, or premises which the SCE&G is allowed to use under the Lease, resulting from DOE's prior use or occupancy of the Leased Property.

(c) SCE&G, by acceptance of this lease, acknowledges that during fact finding meetings DOE has made reasonable and good faith efforts to disclose all known environmental issues and problems associated with current environmental compliance status and permits. SCE&G further acknowledges that DOE has also made available any and all information requested related to environmental operations, compliance and permits. DOE makes no claims or warranties concerning current or future permit conditions imposed by the regulatory authorities nor the SCE&G's ability to obtain any environmental permits from regulatory authorities. Notwithstanding any other provisions of this lease, SCE&G shall have no responsibility or liability for hazardous substances, including radioactive contaminants, existing on the Leased Property as

of the commencement of this Lease or thereafter present on the Leased Property as a result of the actions of the Government, DOE or its authorized representatives and their contractors and subcontractors at any tier.

(d) The United States shall not be responsible for damages to property or injuries to persons which may arise from or be incident to the exercise of the privileges herein granted, or for damages to the property of SCE&G, or for damages to the property or injuries to the person of SCE&G's officers, agents, servants or employees or others who may be on the premises at their invitation or the invitation of any one of them, and SCE&G shall hold the United States harmless from any and all such claims not including damages due to the fault or negligence of the United States or its contractors.

(e) SCE&G shall not be responsible for damages to property or injuries to persons which may arise from or be incident to the exercise of the privileges herein granted, or for damages to the property of DOE not leased hereunder, or for damages to the property or injuries to the person of DOE's officers, agents, servants or employees or others who may be on the premises at their invitation of any one of them, and DOE shall hold the SCE&G harmless from any and all such claims not including damages due to the fault or negligence of the SCE&G or its contractors.

(f) These indemnities shall continue so long as SCE&G leases the property and thereafter for the applicable statute of limitations as to any environmental liability.

## **11. RETURN OF PROPERTY**

On or before the expiration date of this lease or its cancellation, SCE&G shall vacate the property, remove the property of SCE&G, and return the facility to DOE substantially in the condition on the effective date, subject to normal wear, tear, and depreciation. If, however, this lease is canceled, SCE&G shall vacate the property, and remove said property as the Manager may designate. In either event, if SCE&G shall fail or neglect to remove said property, then, at the option of the Manager, the property shall either become the property of the United States without compensation therefor, or the Manager may cause the property to be removed and no claim for damages against the United States or its officers or agents shall be created by or made on account of such removal at the conclusion of the term. SCE&G shall be under no obligation to replace or return spare parts and consumable inventory provided under this lease which has been utilized in the normal operation of the leased facilities.

## **12. NON-DISCRIMINATION**

The lessee shall not discriminate against any person or persons or exclude any person or persons from participation in SCE&G's operations, programs or activities conducted on the leased property, because of race, color, religion, sex, age, handicap or national origin.

## **13. EASEMENTS**

a. This lease is subject to all existing easements, or those subsequently granted as well as established access routes for roadways and utilities located, or to be located, on the property, provided that the proposed grant of any new easement or route will be coordinated with SCE&G, and easements will not be granted which will, in the opinion of DOE, interfere with the use of the property by SCE&G.

b. Easement is hereby granted for the operation and maintenance of right of ways for substations and Transmission Facilities described in Exhibit A. SCE&G shall maintain the easements, including vegetation control. The easement shall extend 75 feet either side of the transmission lines.

c. The Government reserves the right to operate and maintain any existing utility distribution lines and pipelines which pass through the right of ways granted by easement.

d. As part of the grant of easement for transmission and substation right of ways, SCE&G will have control over said easements and shall maintain an encroachment permit system accordance with its operating procedures. All entities, including DOE will abide by the established permitting system.

#### **14. CANCELLATION**

a. That the Government may cancel this lease in whole or in part by giving sixty (60) days prior written notice by the Manager to lessee in the event SCE&G violates any of the terms and conditions of this lease and continues and persists therein for sixty (60) days after notice thereof in writing by the Manager. In lieu of cancellation for violations of the terms and conditions of this lease, the Manager may exercise any legal remedy available to the Government and may exercise any remedy available under the provisions of the lease.

b. Notwithstanding any provision to the contrary, in the event environmental liabilities render the operation of the Facilities impractical, either party shall have the option to cancel the leasehold estates and other rights granted hereby as to any portion or component of the Property at any time upon at least twelve (12) months prior written notice to the other party.

c. After the completion of contract DE-AC09-95SR18531, either party shall have the option to cancel this lease in whole or in part by giving at least a twenty-four (24) month notice. Except for the cancellation due to conditions described in 14.a and 14.b. above, if the Government cancels this lease, SCE&G shall be entitled to an equitable adjustment for unrecovered capital investments made in the transmission facilities. Additionally the Government agrees it will provide wheeling service to SCE&G over the transmission facilities under the same pricing provisions as approved by FERC.

#### **15. RIGHT TO ENTRY AND SECURITY AND EMERGENCY MEASURES**

a. SCE&G personnel will be badged for full access to the leased facilities.

b. That during certain conditions requiring additional security within the Savannah River Site, the Manager will have absolute right to control entry of personnel to the property and/or Site provided the exercise of such rights does not interfere with SCE&G's operation of the facilities unless warranted by national security concerns.

c. With regard to emergency evacuation and contingency plans, SCE&G and DOE agree to coordinate said plans and each shall designate a single point of contact.

d. General site security will be maintained by DOE in surrounding areas. DOE shall provide to SCE&G fire, EMS and HAZMAT response on an as needed and as requested basis, reimbursable basis.

e. SCE&G workers will complete General Employee Training which will not exceed 8 hours per person per year. The training will be provided by the Management and Operating (M&O) Contractor, at no cost to SCE&G.

## **16. FAILURE OF GOVERNMENT TO INSIST ON COMPLIANCE**

The failure of the Government to insist, in any one or more instances, upon performance of any of the terms, covenants or conditions of this lease shall not be construed as a waiver or relinquishment of the Government's right to the future performance of any such terms, covenants or conditions and lessee's obligations in respect to such future performance shall continue in full force and effect.

## **17. NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION**

a. SCE&G shall comply with any laws, regulations, conditions, or instructions affecting the activity hereby authorized if and when issued by the Environmental Protection Agency, or any Federal, State, interstate or local governmental agency having jurisdiction to abate or prevent pollution. The disposal of any toxic or hazardous wastes within the property is specifically prohibited. Such regulations, conditions, or instructions in effect or prescribed by said Environmental Protection Agency, or any Federal, State, interstate or local governmental agency are hereby made a condition of this lease. Except in accordance with the permits, SCE&G shall not discharge waste or effluent from the property in such a manner that the discharge will contaminate streams or other bodies of water or otherwise become a public nuisance.

b. SCE&G will use all reasonable means available to protect the environment and natural resources.

c. SCE&G shall cut no timber, conduct no mining operations, remove no sand, gravel, or kindred substances from the ground, commit no waste of any kind, nor in any manner substantially change the contour or condition of the property except for normal right of way and facility maintenance and construction and except as otherwise permitted.



d. Each party agrees to conduct their respective operations in such a manner so as not to materially interfere with the other party.

e. Hazardous wastes generated by SCE&G from the facilities may be temporarily stored on the facilities in accordance with SCE&G's permits. Such hazardous wastes may not, however, be permanently stored or discharged on or into the ground, except as allowed under permits specifically approved by DOE.

f. SCE&G shall not bring any wastes, hazardous or otherwise from offsite for treatment, storage or disposal within the facilities. This includes materials that are generated from other SCE&G facilities.

g. Notwithstanding the foregoing or any provision hereof, DOE shall be responsible for any and all environmental conditions caused by DOE associated with any portions of SRS on EPA's NPL list.

h. DOE shall be responsible for Environmental Liabilities that are (i) associated with asbestos in existence at the time the contract is entered into other than asbestos encountered in normal operation and maintenance of the property and (ii) PCB's contained in the relay houses, substation sites, equipment or inventory.

i. SCE&G shall not remove or disturb, or cause or permit to be removed or disturbed, any historical, archeological, architectural or other cultural artifacts, relics, remains or objects of antiquity. In the event such items are discovered on the property, SCE&G shall immediately notify DOE and protect the site and the material from further disturbance until Manager gives clearance to proceed.

j. SCE&G shall maintain, in a manner satisfactory to the Manager, all soil and water conservation structures that may be in existence upon said property at the beginning of or that may be constructed by SCE&G during the term of this lease, and SCE&G shall take appropriate measures to prevent or control soil erosion within the property. Any soil erosion occurring outside the property resulting from the activities of SCE&G shall be corrected by SCE&G as directed by DOE.

k. SCE&G shall obtain all necessary permits, licenses, certifications and/or authorizations required for construction, occupancy and operations during the term of the lease. SCE&G will obtain all required permits in the name of the SCE&G within sixty days of the commencement of the lease period. SCE&G shall abide by all Federal, state and local laws and regulations applicable to its operations. SCE&G shall ensure that its operations are fully protective of the environment and of human health and safety.

l. All solid and hazardous waste generated by SCE&G will be disposed of offsite in accordance with all applicable Federal and state environmental regulations.

m. As to matters affecting the property leased, each party shall provide to the other party, within 30 days of a spill, copies of all reports of spills of hazardous substances which are required by environmental laws and regulating agencies. For the purposes of this lease, hazardous substances means materials designated as "hazardous substance" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 USC Section 9601 et seq. SCE&G will immediately notify DOE of its discovery of any previously unidentified contamination or waste.

n. SCE&G shall reclassify one operating and five spare transformers. If the transformers cannot be reclassified or if data provided to SCE&G by DOE concerning transformers is incorrect, SCE&G may proceed with the reclassification or return the transformer(s) to DOE.

o. SCE&G shall be responsible for maintenance and erosion control except for existing erosion areas as shown on aerial photographs dated January 1, 1995.

p. "Environmental Condition" shall mean all matters, issues or conditions known to DOE which have given rise to Environmental Liabilities or may give rise to Environmental Liabilities.

q. "Environmental Liability" or Environmental Liabilities" shall mean any claims, allegations or causes of action brought or asserted by any person or governmental entity arising from Hazardous Materials that are related to environmental or health issues which shall include but not be limited to: (i) fines, penalties, judgments, awards, settlements, compromises, losses, damages, interest, costs, reasonable fees (including reasonable attorneys' and consultants' fees), expenses and disbursements; (ii) financial responsibilities for (a) cleanup costs, including any removal, remedial or other response actions, and natural resource or property damages, and (b) any other compliance or remedial measures, including costs for additional testing, monitoring, personnel; provided, however, that all such costs or measures are required by law, court order or governmental agency, or are in settlement of a claim, demand, notice, complaint, or lawsuit by a governmental agency or private party; (iii) property damage, including diminution of property values based on a fair market value approach, whether property of DOE, SCE&G or an third party; (iv) any bodily injury, sickness, disease, disability or death to any person, including an employee of DOE, SCE&G or any third party; and (v) loss of revenues, lost production or loss of power supply.

## **18. SAFETY**

Operation of the leased facilities shall be in accordance with all applicable commercial safety standards, State standards and Occupational Safety and Health Administration (OSHA) rules. DOE will not enter SCE&G leased facilities without prior notification unless there is an immediate threat to workers or the public. All facilities will be subject to otherwise normal State and federal inspections.

## **19. DISPUTE RESOLUTION**

(a) DOE and SCE&G will attempt to settle any claim or controversy arising out of this lease through consultation and negotiation in good faith and a spirit of mutual cooperation. The parties agree that prompt negotiation of any dispute will be between executives who have authority to settle the controversy and who are at a higher level of management than the persons with direct responsibility for administration of this lease. Any party may give the other party written notice of any dispute not resolved in the normal course of business and must provide written notification of any demand for mediation.

(b) If these attempts to settle fail, then the dispute will be mediated by a mutually-acceptable mediator. The DOE dispute resolution specialist will assist the parties in the selection of the mediator. The mediation will be conducted in accord with the provisions of the Alternate Dispute Resolution Act. The mediator will be chosen within 30 days after written notice by one of the parties demanding mediation. Neither party to the lease may unreasonably withhold consent to the selection of mediator, and the parties will share the costs of the mediation equally. By mutual agreement, however, DOE and SCE&G may postpone mediation until completion of a specified but limited period of discovery about the dispute. The parties may also agree to replace mediation with some other form of alternative dispute resolution, such as neutral fact-finding or a minitrial.

(c) Any dispute which cannot be resolved by negotiation, mediation or another form of alternative dispute resolution within 6 months of the date of the initial demand for mediation may then be submitted to the courts for resolution. The use of alternative dispute resolution procedures will not be construed under the doctrines of laches, waiver or estoppel to affect adversely the rights of either party to pursue its legal remedies. Nothing in this section will prevent either party from resorting to judicial proceedings if (1) good faith efforts to resolve the dispute under these procedures have been unsuccessful or (2) interim relief from a court is necessary to prevent serious and irreparable injury to a party or to others.

(d) All negotiations pursuant to this section are confidential and shall be treated as compromise and settlement negotiation for purposes of applicable rules of evidence.

(e) Each party is required to continue to perform its obligations under this contract pending final resolution of any dispute arising out of or relating to this contract, unless to do so would be impossible or impracticable under the circumstances.

## **20. TAXES**

Any and all taxes imposed by the State or its political subdivisions upon the property or interest of SCE&G in the property shall be paid promptly by SCE&G. If and to the extent that the property owned by the Government is later made taxable by State or local governments under an Act of Congress, the lease shall be renegotiated.

## **21. COVENANT AGAINST CONTINGENT FEES**

The SCE&G warrants that no person or selling agency has been employed or retained to solicit or secure this lease upon an agreement or understanding for a commission, percentage,

brokerage, or contingent fee, excepting bona fide employees or established commercial or selling agencies maintained by SCE&G for the purpose of securing business. For breach or violation of this warranty, the United States shall have the right to annul this lease without liability or, in its discretion, to require SCE&G to pay, in addition to the lease rental or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.

## **22. OFFICIALS NOT TO BENEFIT**

No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this lease or to any benefits to arise therefrom. However, nothing herein contained shall be construed to extend to any incorporated company if this lease is for the general benefit of such corporation or company.

## **23. MODIFICATIONS**

This lease contains the entire agreement between the parties hereto, and no modification of this agreement, or waiver, or consent hereunder shall be valid unless the same be in writing, signed by the parties to be bound or by a duly authorized representative and this provision shall apply to this condition as well as all other conditions of this lease.

## **24. DISCLAIMER**

This lease is effective only insofar as the rights of the United States in the property are concerned; and SCE&G shall obtain any permit or license which may be required by Federal, state, or local statute in connection with the use of the property. It is understood that the granting of this lease does not preclude the necessity of obtaining a Department of Energy permit for activities which involve the discharge of dredge or fill material or the placement of fixed structures in the waters of the United States, pursuant to the provisions of Section 10 of the Rivers and Harbors Act of 3 March 1899 (33 USC 403), and Section 404 of the Clean Waters Act (33 USC 1344).

IN WITNESS WHEREOF I have hereunto set my hand by authority of the Savannah  
River Operations Office Manager this 8 day of August, 1995

Jean P. Fiaci

Witness:

Perry E. Duker

THIS LEASE is also executed by SCE&G this 8 day of August, 1995.

SIGNATURE:

TITLE:

Michael J. [Signature]  
V.P. Public Relations

Witness:

Louis R. [Signature]

## ATTACHMENT J.02

Rate 23 (13 Pages Inclusive of Cover Page)

**Rate 23**  
**13 Pages Inclusive of Cover Page**

Rate 23 is provided on basis of 10,000 kW Contract Demand. If total peak demand exceeds 50,000 kW, the Rate 23 Contract Demand increases to 50% of the highest Rate 23 peak demand occurring during the life of this contract.

Rate 23 includes the following pages:

|                              |           |
|------------------------------|-----------|
| Rate 23                      | (1 Page)  |
| Standard Conditions          | (2 Pages) |
| Adjustment for Fuel Costs    | (1 Page)  |
| General Terms and Conditions | (8 Pages) |

**RATE 23****INDUSTRIAL POWER SERVICE****AVAILABILITY**

This rate is available to any customer classified in the major industrial group of manufacturing with 20-39 as the first two digits of the Standard Industrial Classification using the Company's standard service for power and light requirements and having a contract demand of 1,000 KW or over. It is not available for resale service.

**CHARACTER OF SERVICE**

Alternating Current, 60 hertz, three phase, metering at the delivery voltage which shall be standard to the Company's operation.

**RATE PER MONTH****Demand Charge:**

|  |                  |
|--|------------------|
| First 1,000 KW of Billing Demand         | \$ 12,710.00     |
| Excess over 1,000 KW of Billing Demand @ | \$ 11.51 per KW. |

The billing demand (to the nearest whole KW) shall be the greatest of: (1) the maximum integrated fifteen minute demand measured (which may be on a rolling time interval) during the current month; or (2) eighty percent (80%) of the highest demand occurring during the billing months of June through September in the eleven preceding months; or (3) sixty (60%) of the highest demand occurring during the billing months of October through May in the eleven preceding months; or (4) the contract demand; or (5) 1,000 KW.

The customer shall maintain a power factor of as near unity as practicable. If the power factor of the customer's installation falls below 85%, the Company will adjust the billing demand to a basis of 85% power factor.

**Plus Energy Charge:**

|              |                      |
|--------------|----------------------|
| All Kwhrs. @ | \$ 0.03349 per Kwhr. |
|--------------|----------------------|

**DISCOUNT**

A discount of \$0.60 per KW of billing demand will be allowed when the service is supplied at a delivery voltage of 46,000 volts or higher.

**MINIMUM CHARGE**

The monthly minimum charge is the demand as determined above. The Company may allow a buildup period not to exceed six months for new and expanding accounts during which time the contract demand and/or the minimum demand specified in the rate schedule may be waived. The Company shall not commit itself to a buildup period exceeding six months without prior approval of the Commission for the specific account involved.

**ADJUSTMENT FOR FUEL COSTS**

Fuel cost of \$.02516 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

**STORM DAMAGE COMPONENT**

The energy charges above include a storm damage component of \$.00008 per Kwhr. for accumulation of a storm damage reserve.

**SALES AND FRANCHISE TAX**

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

**PAYMENT TERMS**

All bills are net and payable when rendered.

**SPECIAL PROVISIONS**

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

**TERM OF CONTRACT**

The contract terms will depend on the conditions of service. No contract shall be written for a period less than five (5) years. A separate contract shall be written for each meter at each location.

**GENERAL TERMS AND CONDITIONS**

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

Effective for bills rendered on and after the first billing cycle of May 2006



## STANDARD CONDITIONS

**Supply and Use:** Company agrees to sell and Customer agrees to buy from Company all purchased electric energy, capacity, related transmission services and any related distribution services required by Customer for use on its premises covered hereunder. Resale by Customer of energy, capacity, related transmission or related distribution services is not permitted.

**Creditworthiness:** Company, in order to satisfy itself of the ability of the Customer to meet its obligations under the contract may conduct periodic reasonable credit reviews in accordance with standard commercial practices. Customer agrees to assist in these reviews by providing financial information and at the request of the Company, will maintain such credit support or surety including but not limited to, an unconditional and irrevocable letter of credit to provide adequate security for protection against the risk of nonpayment.

**Service Application, Deposit and Release:** Prior to receiving service, Customer or its Agent must: (a) Ensure that an application for service is made to Company, either in person at one of Company's commercial offices or through the Company representative coordinating the service arrangements; (b) Post a service deposit with Company (as determined by Company in accordance with S.C. Public Service Commission regulations), unless waived by Company in favor of other satisfactory assurance for payment of bills; and (c) Ensure that any inspections required by governmental authorities having jurisdiction are completed and notice thereof is given to the Company.

**Commencement of New Service:** Company and Customer shall make every reasonable effort to have their respective facilities ready for service by the **Service Date** stated on Page 1. If conditions should change, the affected party shall immediately notify the other. (*Bold Print terms reference the corresponding completed blanks on Page 1.*)

**Assignment:** Neither Party shall assign this Agreement or its rights hereunder without the prior written consent of the other Party, which consent may be withheld in the exercise of its sole discretion; provided, however, either Party may, without the consent of the other Party (and without relieving itself from liability hereunder), (i) transfer, sell, pledge, encumber or assign this Agreement or the accounts, revenues or proceeds hereof in connection with any financing or other financial arrangements, (ii) transfer or assign this Agreement to an affiliate of such Party which affiliate's creditworthiness is equal to or higher than that of such Party, or (iii) transfer or assign this Agreement to any person or entity succeeding to all or substantially all of the assets whose creditworthiness is equal to or higher than that of such Party; provided, however, that in each such case, any such assignee shall agree in writing to be bound by the terms and conditions hereof and so long as the transferring Party delivers such tax and enforceability assurance as the non-transferring Party may reasonably request.

**Term:** This Contract shall commence on the **Effective Date** (the date on which this contract is fully executed) and shall continue for the full **Initial Term**, unless an early termination is mutually agreed upon. Thereafter, it will extend automatically until terminated by either party giving the other a written **Minimum Termination Notice**. Billing for service rendered hereunder shall commence on the **Service Date** (the date customer contracts for service under the tariff applicable to this contract) or the date that service is first made available, whichever is later, or in accordance with terms stated under **Special Provisions**.

**Termination:** Should Customer terminate this contract and disconnect service for any reason, either during the initial term or any extension thereof unless waived as provided for herein, Customer shall pay to the Company a facilities termination charge equal to (a) the total installed cost of facilities dedicated solely for serving Customer, (b) less any Customer contribution to construction, (c) less accumulated depreciation of the facilities funded by Company, (d) less salvage value of all facilities dedicated solely for serving Customer, (e) plus the cost of removal (including any associated environmental investigation/remediation costs related to a spill or release of hazardous substances caused by Customer or those paid or incurred by the Company which were not the result of negligence on the part of the Company), all as determined by Company in accordance with its standard accounting practices; provided, however, that the termination charge shall not be less than zero. Customers who terminate prior to the expiration of the initial term or any extension thereof may also be required to pay to Company a demand termination charge equal to 90% of the maximum demand set during the term times the demand rate in effect at the time of termination times the number of months remaining in the contract period. Company may waive a portion

Approval Initials \_\_\_\_\_

For Customer

For Company

or all of the termination charges where (1) a successor contract is executed prior to termination of this Contract, or (2) Customer is able to furnish Company with satisfactory evidence that a successor customer will occupy the premises within a reasonable time and contract for substantially the same service facilities. If deregulation should occur during the term of this contract, the above demand termination charge, after deregulation, will be determined by appropriate governing authority(ies) rules at that time. The termination charges above shall not preclude additional termination charges approved by the SCPSC or imposed by law.

**Impaired Service:** Customer shall be responsible for installing and maintaining on its system such protective equipment as necessary for protecting its equipment from single phase conditions, momentary interruptions or voltage fluctuations arising from conditions on its system or from Company's supply lines. Customer shall not operate its equipment of such nature and in such manner as to impose voltage flicker, surges, or harmonics on Company's system that adversely affects the Company's system or its service to other Customers. Adverse conditions verifiable as of Customer origin shall be corrected promptly by Customer or upon Notice Company may discontinue service until the conditions are corrected. Customer agrees to keep Company equipment unencumbered and accessible at all times.

**Load Increase:** If Customer contemplates a load increase which may exceed the **Maximum Capacity** stated on Page 1, Customer shall give Company written notice of planned increase, with sufficient lead time for Company to enlarge its facilities. In such cases this Contract may be amended by mutual consent of the parties to reflect any changes in the service characteristics, applicable charges or conditions of service.

**Facility Relocation:** Should Customer request Company to relocate any of its facilities, or take any action which will require Company to relocate its facilities, Customer shall reimburse Company for the costs incurred.

**Hold Harmless:** Company and Customer do respectively assume full responsibility for the maintenance and operation of the facilities owned and/or operated by each, and each shall indemnify and except as hereafter limited, shall hold the other harmless from any loss resulting from bodily injury (including death) or damage of property arising directly or indirectly out of any negligent or willful act or failure to act on the indemnitor's part in the installation, maintenance, operation, replacement and/or removal of the facilities owned and operated by each. Neither party shall be liable to the other in any event, whether in contract, tort or otherwise, for any loss of revenue, profits, use of production, costs of capital or purchased or replacement power, interest, business interruption, claims of customers or any other incidental, indirect or consequential damages of any nature whatsoever. Customer(s) acknowledge(s) the presence of overhead and/or underground power lines and understands that contact with them could cause serious injury or death.

**South Carolina Public Service Commission:** This Contract, the **Billing Rate** referenced on Page 1, and all services rendered hereunder, are subject to the Company's "General Terms and Conditions" as approved by the Commission, and to the "Rules and Regulations" of the Commission, as the foregoing now exist or may be amended in the manner prescribed by law. The billing Rate and General Terms and Conditions are attached and made a part hereof; Rules and Regulations are made a part by reference and are available upon request. This contract is specifically intended to survive deregulation or retail access.

Approval Initials \_\_\_\_\_  
For Customer For Company

## SOUTH CAROLINA ELECTRIC &amp; GAS COMPANY

## ADJUSTMENT FOR FUEL COSTS

## APPLICABILITY

This adjustment is applicable to and is part of the Utility's South Carolina retail electric rate schedules.

The Public Service Commission has determined that the costs of fuel in an amount to the nearest one-thousandth of a cent, as determined by the following formula, will be included in the base rates to the extent determined reasonable and proper by the Commission.

$$F = \frac{E}{S} + \frac{G}{S1}$$

## Where:

F = Fuel cost per kilowatt hour included in base rate, rounded to the nearest one-thousandth of a cent.

E = Total projected system fuel costs:

- (A) Fuel consumed in the Utility's own plants and the Utility's share of fuel consumed in jointly owned or leased plants. The cost of fossil fuel shall include no items other than those listed in Account 151 of the Commission's Uniform System of Accounts for Public Utilities and Licensees plus SO2 emission allowances. The cost of nuclear fuel shall be that as shown in Account 518 excluding rental payments on leased nuclear fuel and except that, if Account 518 also contains any expense for fossil fuel which has already been included in the cost of fossil fuel, it shall be deducted from this account.

## PLUS

- (B) Fuel costs related to purchased power and applicable SO2 emission allowances such as those incurred in unit power and limited term power purchases where the fossil fuel costs and applicable SO2 emission allowances associated with energy purchased are identifiable and are identified in the billing statement. Also the cost of 'firm generation capacity purchases,' which are defined as purchases made to cure a capacity deficiency or to maintain adequate reserve levels; costs of firm generation capacity purchases include the total delivered costs of firm generation capacity purchased and shall exclude generation capacity reservation charges, generation capacity option charges and any other capacity charges.

## PLUS

- (C) Fuel costs related to purchased power and applicable SO2 emission allowances such as short term, economy and other where the energy is purchased on an economic dispatch basis, including the total delivered cost of economy purchases of electric power including, but not limited to, transmission charges and defined as purchases made to displace higher cost generation at a cost which is less than the purchasing Utility's avoided variable costs for the generation of an equivalent quantity of electric power.

Energy receipts that do not involve money payments such as diversity energy and payback of storage energy are not defined as purchased or interchange power relative to this fuel calculation.

## MINUS

- (D) The cost of fossil fuel and applicable SO2 emission allowances recovered through intersystem sales including the fuel costs and applicable SO2 emission allowances related to economy energy sales and other energy sold on an economic dispatch basis.

Energy deliveries that do not involve billing transactions such as diversity energy and payback of storage energy are not defined as sales relative to this fuel calculation.

S = Projected system kilowatt hour sales excluding any intersystem sales.

G = Cumulative difference between jurisdictional fuel revenues billed and fuel expenses at the end of the month preceding the projected period utilized in E and S.

S1 = Projected jurisdictional kilowatt hour sales for the period covered by the fuel costs included in E.

The appropriate revenue related tax factor is to be included in these calculations.

Provided that the terms of S.C. Code Ann. Sec. 58-27-865 shall govern this calculation and in case of any conflict,

this statute shall control over the above.

The fuel cost as determined by the Public Service Commission of South Carolina Order No. for the period May 2006 through April 2007 is 2 516 cents per kilowatt hour.

## ***GENERAL TERMS AND CONDITIONS***

### **I. GENERAL**

#### **A. FOREWORD**

1. In contemplation of the mutual protection of both South Carolina Electric & Gas Company and its Customers and for the purpose of rendering an impartial and more satisfactory service, the General Terms and Conditions of the Company are hereby set forth and filed with the Public Service Commission of South Carolina, which has jurisdiction over public utilities, so as to read as hereinafter set forth; the same being incorporated by reference in each contract or agreement for service.
2. These Terms and Conditions are supplementary to the Rules and Regulations issued by the Public Service Commission of South Carolina covering the operation of electric utilities in the State of South Carolina.
3. These Terms and Conditions may be supplemented for specific Customers by contract.
4. South Carolina Electric & Gas Company is referred to herein as "Company", and the user or prospective user is referred to as "Customer". The Public Service Commission of South Carolina is referred to as "Commission".

#### **B. Application**

Provisions of these Terms and Conditions apply to all persons, partnerships, corporations or others designated as Customers who are lawfully receiving electric service from Company under the prescribed Rate Schedules or contracts filed with the Commission. Receipt of service shall constitute a contract between Customers and Company. No contract may be transferred without the written consent of the Company.

#### **C. Term of Service**

The rates prescribed by the Commission are based upon the supply of service to each individual Customer for a period of not less than one year, except as otherwise specifically provided under the terms of the particular Rate Schedule or contract covering such service.

#### **D. Terms and Conditions**

The Terms and Conditions contained herein are a part of every contract for service entered into by the Company and govern all classes of service where applicable unless specifically modified as a provision or provisions contained in a particular Rate Schedule or contract.

#### **E. Selection of Appropriate Rate**

Where two or more Rate Schedules are available, the Company will attempt to assist the Customer to a reasonable extent in determining which Schedule to select. The Company may allow a buildup period not to exceed six months for new and expanding accounts during which time the contract demand and/or minimum demand specified in the Rate Schedule may be waived. It is the responsibility of the Customer to select the Rate and the Company will not assume responsibility for the choice.

#### **F. Temporary Service**

Temporary or seasonal service will be furnished under the appropriate General Service Rate Schedule to any Customer. Temporary service shall include all construction services having a life expectancy of one year or less. Payment is required in advance for the full cost of erecting and removing all lines, transformers, and other service facilities necessary for the supply of such service.

#### **G. Statements by Agents**

No representative of the Company has authority to modify any Rule of the Commission, provisions of Rate Schedules or to bind the Company by any promise or representation contrary thereto.

**II. DEFINITIONS**

Except where the context otherwise indicates another or different meaning or intent, the following terms are intended and used and shall be construed to have meanings as follows:

- A. "Day" shall mean period of twenty-four (24) consecutive hours beginning at 12 o'clock Midnight Eastern Time or at such other hours as may be designated.
- B. "Month" or "Billing Month" shall mean the period between any two (2) regular readings of Company's meters which shall not be less than twenty-eight (28) days or more than thirty-four (34) days.
- C. "Year", unless otherwise designated, shall mean a period of 365 days commencing with the day of first delivery of electricity hereunder, and each 365 days thereafter except that in a year having a date of February 29, such year shall consist of 366 days.
- D. "Premises" shall mean home, apartment, dwelling unit, shop, factory, business location (including signs and water and sewage pumps), church, or other building or structure which shelters the Customer for his individual or collective occupancy where all services may be taken from a single connection.
- E. "Service Point" or "Point of Interconnection" shall mean the point at which Company's and Customer's conductors are connected.
- F. "Standard Service" means a single service per premises from one electrical source and from existing overhead facilities.

**III. CONDITIONS OF SERVICE****A. GENERAL**

The Customer shall consult with and furnish to the Company such information as the Company may require to determine the availability of the Company's Service at a particular location before proceeding with plans for any new or additional electric loads. No new or additional electric loads will be served if it is determined that such service will jeopardize service to existing Customers. Failure to give notice of additions or changes in load or location shall render the Customer liable for any damage to the meters or other apparatus and equipment of the Company, the Customer and/or other Customers caused by the additional load or changed installation.

**B. Character of Service**

Electric energy supplied by the Company shall be standard alternating current at a frequency of approximately 60 hertz and shall be delivered only at voltages and phases as specified by the Company.

**C. Rights-of-Way**

The Company shall not be required to extend its distribution and service facilities, for the purpose of rendering electric service to the Customer until satisfactory rights-of-way, easements or permits have been obtained from governmental agencies and property owners, at the Customer's expense to permit the installation, operation, and maintenance of the Company's lines and facilities. The Customer, in requesting or accepting service, thereby grants the Company without charge necessary rights-of-way and trimming and clearing privileges for its facilities along, across, and under property controlled by the Customer to the extent that such right-of-way and trimming and clearing privileges are required or necessary to enable Company to supply service to the Customer and the Customer also grants the Company the right to continue to extend the Company's facilities on, across, or under with necessary trimming and clearing rights to serve other Customers. Customer shall maintain such right-of-way so as to grant Company continued access to its facilities by Company's vehicles and other power-operated equipment.

**D. Customer's Installation**

Customer's service installations shall be made in accordance with these General Terms and Conditions, Specifications for Service and Meter Installations, existing provisions of the National Electrical Code, the Regulations of the National Board of Fire Underwriters and such other regulations as may be promulgated from time to time by any municipal bureau or other governmental agency having jurisdiction over the Customer's installation or premises.

Customer's wiring and equipment must be installed and maintained in accordance with the requirements of the local, municipal, state, and federal authorities, and the Customer shall keep in good and safe repair and condition such wiring and equipment on Customer's side of the service point exclusive of Company's metering facilities and equipment.

Customer's service entrance requirements shall be stipulated in the Electric Service and Meter Installations Manual, and other manuals published by the Company and approved by the Commission.

Before wiring a premise or purchasing equipment, the Customers shall give the Company notice and shall ascertain from the Company the character of service available at such premises. The Company may specify the voltage and phase of the electricity to be furnished, the location of the meter, and the point where the service connection shall be made.

Customer's service entrance requirements shall be stipulated in the Electric Service and Meter Installations Manual, and other manuals published by the company and approved by the Commission.

It is the standard practice of the Company to provide all requirements of service for the Customer through a single metering point at each premises.

Where more than one service is required by the Customer, and requested services meet all applicable code requirements the Company will provide such additional service upon payment by the Customer to the Company of the charges above the first service. Each service point shall be a separate account. No new service will be connected without proper release from the inspecting authority having jurisdiction.

Customer shall furnish at his sole expense any special facilities necessary to meet his particular requirements for service at other than the standard conditions specified under the provision of the applicable Rate Schedule. The Customer shall also provide protection for Customer's equipment from conditions beyond the Company's control including, but not limited to, protective devices for single-phase conditions. The Customer shall also provide a suitable place, foundation and housing where, in the judgment of the Company, it is deemed necessary to install transformers, regulators, control or protective equipment on the Customer's premises.

All equipment supplied by the Company shall remain its exclusive property and Company shall have the right to remove the same from the premises of Customer at any time after termination of service for any cause.

Should Customer elect, for any reason, to request relocation of Company's facilities or take any action, which requires such relocation, customer may be required to reimburse the Company for all costs as a result of such relocation. Company may relocate existing service and facilities, at Company's expense, when necessary for system design or operation and maintenance requirements.

The Customer shall be responsible for the protection and safekeeping of the equipment and facilities of the Company while on the Customer's premises and shall not permit access thereto except by duly authorized representatives of the Company. Customer assumes responsibility and liability for damages and injuries caused by failure or malfunctions of Customer's equipment.

**E. Special Equipment**

Where a separate transformer or other additional electrical utility standard equipment or capacity is to be used to eliminate fluctuations or other effects detrimental to the quality of service to other Customers due to welding or X-ray equipment, etc., the Company may make a reasonable charge for the transformer equipment and line capacity required. In lieu of the above, the Company may require the Customer to either discontinue the operation of the equipment causing the disturbance or install the necessary motor generator set or other apparatus to eliminate the disturbance detrimental to the service of other Customers.

**F. Safe Access to Customer's Premises**

The duly authorized representatives of the Company shall be permitted at any and all reasonable times to inspect, operate and maintain the Company's and the Customer's facilities and equipment for any and all purposes connected with the delivery of service, the determination of connected load or other data to be used for billing purposes, the determination of Customer load requirements or the exercise of any and all rights under the agreement.

**G. Company's Installation and Service**

Where the Customer's requested service to be supplied by the Company does not produce revenue sufficient to support the expenditure required, the Company will determine in each case the amount of payment and form thereof that shall be required of the Customer.

Electricity supplied by the Company shall not be electrically connected with any other source of electricity without reasonable written notice to the Company and agreement by the parties of such measures or conditions, if any, as may be required for reliability of both systems.

Service supplied by the Company shall not be resold or assigned by the Company to others on a metered or unmetered basis; nor shall the Customer's wiring be connected to adjacent or other premises not owned or operated by the Customer without specific written approval of the Company and of the Commission.

The Company's service facilities will be installed above ground on poles or fixtures; however, underground facilities will be provided when requested in accordance with the Company's appropriate underground service publications.

**In Areas of Overhead Distribution:** The Company will install and maintain an overhead service drop for loads up to 500 KVA from its overhead distribution system to the Customer's service connection provided the transformer can be placed in the proximity of the service point. For residential Customers, if specifically requested by the Customer, the Company will install and maintain a single phase underground service to any residence (terrain permitting) provided the Customer pays in advance the difference in cost between a new overhead service and the new underground service of equal current carrying capacity.

**In Areas of Underground Distribution:** The Company will install and maintain the necessary underground facilities to provide a point of service at the Customer's property line or at another location designated by the Company. For residential Customers, the Company will install and maintain a single-phase service to the service point as designated by Company, up to a maximum length of 125 feet. If the requested residential service to Company's designated service point exceeds 125 feet in length, the Customer will pay in advance the total additional cost for that portion in excess of 125 feet in length. For underground service other than residential, the Customer shall furnish, install and maintain necessary service conductors and conduit from their service equipment to the Company's designated point of service regardless of meter location.

**H. Term of Contract**

The Term of Contract for service shall be for a term of one year with automatic renewal except as otherwise provided in the applicable Rate Schedule. Where a large or special investment in service facilities is necessary, or other special conditions exist, contracts may be written for (1) a longer term than specified in the Rate Schedule, or (2) a special guarantee of revenue, or (3) a facility charge, or (4) all of these conditions as may be required to safeguard the Company's investment.

**I. Continuance of Service and Liability Therefor**

The Company does not guarantee continuous service. Company shall use reasonable diligence at all times to provide uninterrupted service but shall not be liable for any loss, cost damage or expense to any Customer occasioned by any failure to supply electricity according to the terms of the contract or by any interruption or reversal of the supply of electricity, if such failure, interruption or reversal is due to storm, lightning, fire, flood, drought, strike, or any cause beyond the control of the Company, or any cause except willful default or neglect on its part.

The Company reserves the right to curtail or temporarily interrupt Customer's service when it shall become necessary in order that repairs, replacement or changes may be made in the Company's facilities and equipment, either on or off Customer's premises.

The Company may impose reasonable restrictions on the use of service during peak periods of excessive demand or other difficulty, which jeopardizes the supply of service to any group of Customers.

The Company may waive any minimum charge or guarantee payments for service upon written notice from and request of Customer during such time as the Customer's plant may be completely closed down as a result of strike, lockout, government order, fire, flood, or other acts of God: provided however, that Customer specifically agrees that the term of the service contract shall be extended for a period equal to the period of enforced shutdown. (See Section VII, Force Majeure).

**J. Denial or Discontinuance of Service**

The Company may refuse or discontinue service and remove the property of the Company without liability to the Customer, or tenants or occupants of the premises served, for any loss, cost, damage or expense occasioned by such refusal, discontinuance or removal, including but not limited to, any of the following reasons:

1. In the event of a condition determined by the Company to be hazardous or dangerous.
2. In the event Customer's equipment is used in such a manner as to adversely affect the Company's service to others.
3. In the event of unauthorized or fraudulent use of Company's service.
4. Unauthorized adjustments or tampering with Company's equipment.
5. Customer's failure to fulfill his contractual obligations.
6. For failure of the Customer to permit the Company reasonable access to its equipment.
7. For nonpayment of bill for service rendered provided that the Company has made reasonable efforts to effect collection.
8. For failure of the Customer to provide the Company with a deposit.
9. For failure of the Customer to furnish permits, certificates, and rights-of-way, as necessary in obtaining service, or in the event such permissions are withdrawn or terminated.
10. The Company shall not furnish its service to any applicant who at the time of such application is indebted to any member of his household is indebted under an undisputed bill for service, previously furnished such applicant or furnished any other member of the applicant's household or business.
11. The Company may terminate a Customer's service should the Customer be in arrears on an account for service at another premises.
12. For the reason that the Customer's use of the utility service conflicts with, or violates o orders, ordinances or laws of the State or any subdivision thereof, or of the Commission.



13. For failure of the Customer to comply with reasonable restrictions on the use of service. The Company may discontinue service without notice for reasons (1), (2), and (3) above. For the remainder of the reasons, the Customer shall be allowed a reasonable time in which to correct any discrepancy.

Failure of the Company to terminate or suspend service at any time after the occurrence of grounds therefore or to resort to any other legal remedy or to exercise any one or more of such alternative remedies, shall not waive or in any manner affect the Company's right to later resort to any or more of such rights or remedies on account of any such ground then existing or which may subsequently occur.

#### K. Reconnection Charge

Where the Company has discontinued service for reasons listed in Section III-J, the Customer is subject to a reconnection charge of \$25.00 in addition to any other charges due and payable to the Company. In cases where both electric and gas service are reconnected at the same time on the same premises for the same Customer, only one charge will be made.

Where the Customer interrupts or terminates service and subsequently requests reconnection of service at the same premises the reconnection charge will apply.

### IV. BILLING AND PAYMENT TERMS

#### A. General

The rates specified in the various service classifications are stated on a monthly basis. Unless extenuating circumstances prevent, the Company will read meters at regular monthly intervals and render bills accordingly. If for any reason a meter is not read, the Company may prepare an estimated bill based on the Customer's average use billed for the preceding 60 days or from other information as may be available. All such bills are to be paid in accordance with the standard payment terms, and are subject to adjustment on the basis of actual use of service as computed from the next reading taken by the Company's representative or for any circumstances known to have affected the quantity of service used. No more than one estimated bill shall be rendered within a 60-day period unless otherwise agreed to by the Customer or allowed by the Commission.

All billing errors shall be adjusted in accordance with the Commission's Rules and Regulations.

#### B. Customer's Obligations

The Customer is responsible for electricity furnished and for all charges under the agreement until the end of term thereof.

All bills shall be due and payable when rendered. Notice and collection of unpaid bills will be in accordance with the current Rules and Regulations of the Commission.

No Claim or demand which the Customer may have against the Company shall be set off or counterclaimed against the payment of any sum of money due the Company by the Customer for services rendered. All such sums shall be paid in accordance with the agreement regardless of any claim or demand.

Should service be terminated, the Customer's deposit shall be applied to reduce or liquidate the account. Service may be restored upon payment of the account, in full, plus the late payment charge set forth below, the reconnection charge set forth above and a deposit as set forth below.

#### C. Late Payment Charge

A late payment charge of one and one half per cent (1 ½%) will be added to any balance remaining twenty-five (25) days after the billing date.

**D. Deposit**

A maximum deposit in an amount equal to an estimated two (2) months (60 days) bill for a new Customer or in an amount equal to the total actual bills of the highest two (2) consecutive months based on the experience of the preceding twelve (12) months or a portion of the year if on a seasonal basis may be required from the Customer as security for payment of the account before service is rendered or continued if any of the following conditions exist:

- (1) The Customer's past payment record to the Company shows delinquent payment practice;
- (2) A new Customer cannot furnish either a letter of good credit from a reliable source or any acceptable cosigner or guarantor on the Company's system to guarantee payment;
- (3) A Customer has no deposit and presently is delinquent in payments;
- (4) A Customer has had his service terminated for non-payment or fraudulent use. All deposits may be subject to review based on the actual experience of the Customer. The amount of the deposit may be adjusted upward or downward to reflect the actual billing experience and payment habits of the Customer.

**E. Service Charge**

The Company may make reasonable charges for work performed on or services rendered:

- 1) Upon Customer's request at the Customer's premises when, at the time the request is made, service and equipment provided by the Company is in good working condition and in compliance with these General Terms and Conditions, Specifications for Service and Meter Installations, existing provisions of the National Electric Code, the Regulations of the National Board of Fire Underwriters and such other regulations as may be promulgated from time to time by any municipal bureau or other governmental agency having jurisdiction over the Customer's installation or premises;
- 2) To repair, replace, remove or gain access to Company's facilities or equipment where such repair, replacement or removal is made necessary by the willful action(s) of the Customer, members of the Customer's household or invitees of the Customer; or
- 3) To repair, replace, remove or gain access to Company's facilities or equipment where such repair, replacement or removal is made necessary by the negligent failure of the Customer to take timely action to correct or to notify the Company or other responsible party to correct conditions which led to the needed repair, replacement or removal, except that such charges shall be apportioned between the Customer and the Company to the extent that the Customer shall only bear that part of the costs which reflect the costs added by the Customer's negligence. Such charges cannot be assessed where the damage is caused by an Act of God except to the extent that the Customer failed timely to mitigate the damages. Such charges may include labor, material and transportation.

**V. COMPANY'S LIABILITY****A. General**

The Company shall not be in any way responsible or liable for damages to or injuries sustained by the Customer or others, or by the equipment of the Customer or others by reason of the condition or character of Customer's wiring and equipment, or the wiring and equipment of others on the Customer's premises. The Company will not be responsible for the use, care or handling of electricity delivered to the Customer after it passes the service point. The Customer assumes responsibility and liability for damages and injuries caused by failures or malfunctions of Customer's equipment.

**VI. MEASUREMENT OF SERVICE****A. Meter Testing on Request of Customer**

The Customer may, at any time, upon reasonable notice, make written request of the Company to test the accuracy of the meter or meters in use for his service. No deposit or payments shall be required from the Customer for such meter test if said meter has been in service at least one year without testing at Company's expense; otherwise the Customer shall deposit the estimated cost of the test; said deposit shall not exceed \$15.00 without the approval of the Commission. The amount so deposited with Company shall be refunded or credited to the Customer, as a part of the settlement of the disputed account if the meter is found, when tested to register more than 2% fast or slow; otherwise the deposit shall be retained by the Company.

**B. Adjustments for Inaccurate Meters**

Where it is determined that the Company's meter is inaccurate or defective by more than 2% error in registration, bills shall be adjusted in accordance with the Commission Rules and Regulations.

**VII. FORCE MAJEURE**

**A. General**

In the event Company is unable, wholly or in part, by reason of Force Majeure to carry out its obligations to provide service under its Rate Schedules or Contracts, the obligations of Company, so far as they are affected by such Force Majeure, shall be suspended during the continuance of any inability so caused but for no longer period and such cause shall, as far as possible, be remedied with all reasonable dispatch.

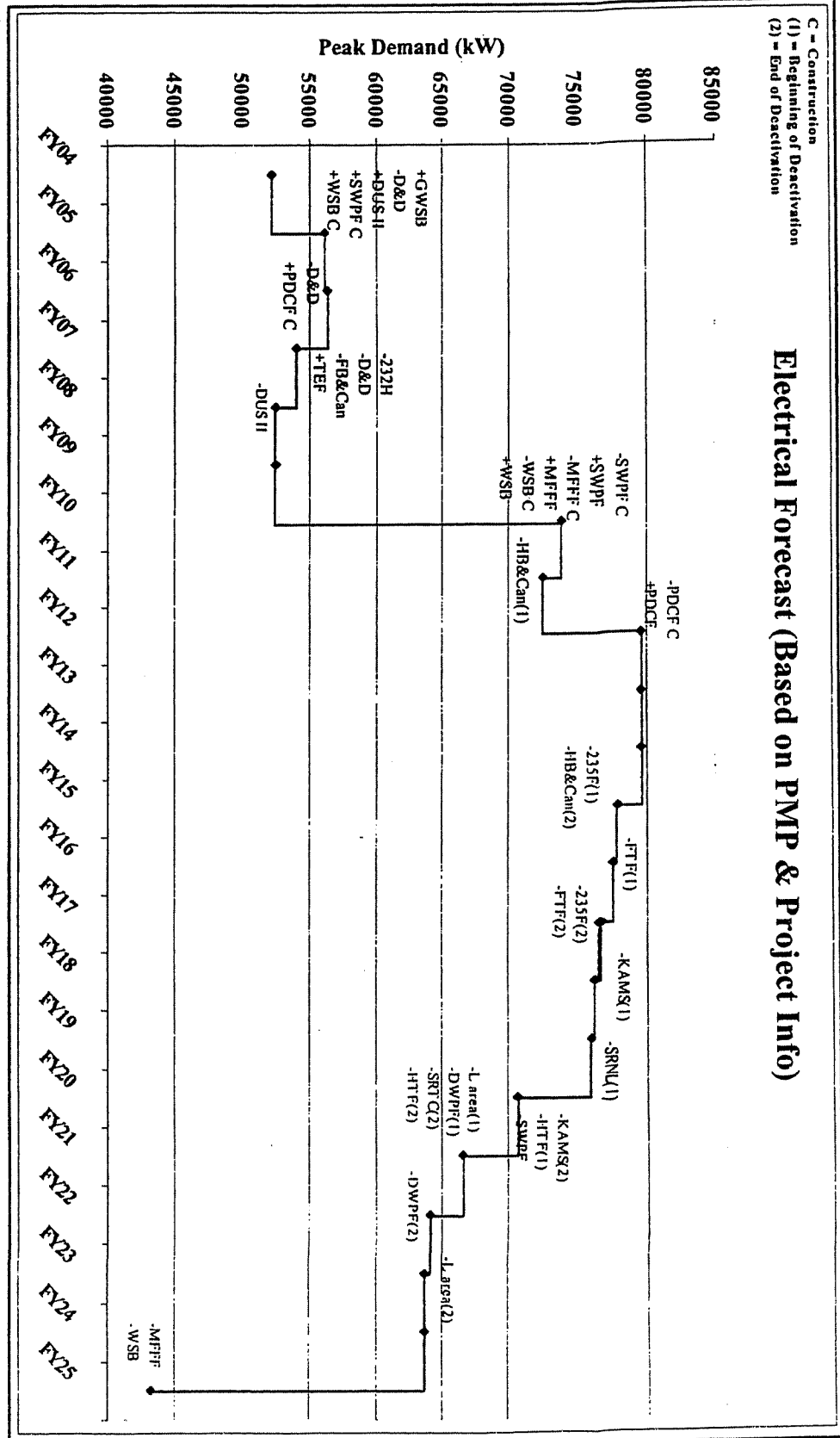
The term "Force Majeure" as employed herein shall include, but not be limited to acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, extreme weather conditions, storms, floods, washouts, arrest and restraints of governments and people, civil disturbances, explosions, breakage or accident to machinery or lines, the maintaining or repairing or alteration of machinery, equipment, structures or lines (which maintaining, repairing or alteration shall, however, be carried out in such manner as to cause the smallest practicable curtailments or interruption of deliveries of electricity), freezing of lines, partial or complete curtailment of deliveries under Company's electric purchase contracts, inability to obtain rights-of-way or permits or materials, equipment or supplies, any of the above, which shall, by the exercise of due diligence and care such party is unable to prevent or overcome, and any cause other than those enumerated herein (whether of the kind enumerated herein or otherwise) not within the control of the person claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome. It is understood and agreed that the settlement of strikes or lockouts shall be entirely within the discretion of the persons affected, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes or lockouts when such course is inadvisable in the discretion of the person affected thereby.

**Attachment J.03**

**Electrical Forecast  
(3 Pages Inclusive of Cover Page)**

C - Construction  
 (1) - Beginning of Deactivation  
 (2) - End of Deactivation

# Electrical Forecast (Based on PMP & Project Info)



GWSB = Glass Waste Storage Building  
 DUS = Dynamic Underground Stripping  
 SVPF = Salt Waste Processing Facility  
 WSB = Waste Solidification Building  
 PDCF = Pit Disassembly & Conversion Facility  
 HTF = H-Tank Farm

TEF = Tritium Extraction Facility  
 MFFF = Mixed Fuel Fabrication Facility  
 FTF = F-Tank Farm  
 SRNL = F/H Lab  
 KAMS = K Area Material Storage

# Electrical Load Variance (kW)

|  |       |   |        |
|--|-------|---|--------|
| 10/01/04 GW/BSB-2 Const                  | 350   | 10/01/14 235-F (Deact Strt)             | -369   |
| 10/01/04 D&D                             | -1673 | 04/01/15 HB Line & H Canyon (Deact Fin) | -1363  |
| 01/01/05 MFFF Const                      | 1700  | <u>FY15</u>                             | -1732  |
| 02/01/05 DUS II                          | 1450  | 10/01/15 FTF (Deact Strt)               | -351   |
| 07/01/05 GW/BSB-2 Const                  | -350  | <u>FY16</u>                             | -351   |
| 07/01/05 GW/BSB-2                        | 1000  | 10/01/16 235-F (Deact Fin)              | -369   |
| 07/01/05 SWPF Const                      | 850   | 10/01/16 FTF (Deact Fin)                | -351   |
| 08/01/05 WSB Const                       | 640   | <u>FY17</u>                             | -720   |
| <u>FY05</u>                              | 3967  | 10/01/17 KAMS (Deact Strt)              | -264   |
| 10/01/05 D&D                             | -693  | <u>FY18</u>                             | -264   |
| 04/01/06 PDCF Const                      | 850   | 04/01/19 SRTC (Deact Strt)              | -171   |
| <u>FY06</u>                              | 157   | <u>FY19</u>                             | -171   |
| 10/01/06 232-H                           | -621  | 10/01/19 KAMS (Deact Fin)               | -264   |
| 10/01/06 D&D                             | -2818 | 10/01/19 HTF (Deact Strt)               | -1073  |
| 12/01/06 FB Line & F Canyon (Deact Fin)  | -2115 | 10/01/19 SWPF                           | -4250  |
| 02/01/07 TEF                             | 3240  | <u>FY20</u>                             | -5587  |
| 06/01/08 DUS II                          | -2314 | 10/01/20 L-Area (Deact Strt)            | -421   |
| <u>FY07</u>                              | -1450 | 10/01/20 DWPF (Deact Strt)              | -2545  |
| <u>FY08</u>                              | -1450 | 01/01/21 SRTC (Deact Fin)               | -171   |
| 10/01/09 SWPF                            | 4250  | 07/01/21 HTF (Deact Fin)                | -1073  |
| 10/01/09 SWPF Const                      | -850  | <u>FY21</u>                             | -4210  |
| 12/01/09 MFFF Const                      | -1700 | 10/01/21 DWPF (Deact Fin)               | -2545  |
| 12/01/09 MFFF                            | 16150 | <u>FY22</u>                             | -2545  |
| 12/01/09 WSB Const                       | -640  | 10/01/22 L-Area (Deact Fin)             | -421   |
| 12/01/09 WSB                             | 4250  | <u>FY23</u>                             | -421   |
| <u>FY10</u>                              | 21460 | 12/01/24 MFFF                           | -16150 |
| 10/01/10 HB Line & H Canyon (Deact Strt) | -1363 | 12/01/24 WSB                            | -4250  |
| <u>FY11</u>                              | -1363 | <u>FY25</u>                             | -20400 |
| 10/01/11 PDCF Const                      | -850  |   |        |
| 10/01/11 PDCF                            | 7800  |   |        |
| <u>FY12</u>                              | 6950  |   |        |

**Attachment J.04**

**O&M SCOPE REDUCTION STUDY -115kV  
TRANSMISSION SYSTEM  
(8 Pages Inclusive of Cover Page)**

## WSRC O&M SCOPE REDUCTION STUDY - 115 kV TRANSMISSION SYSTEM

### I. Executive Summary

The purpose of this study is to determine the feasibility of removing redundant 115kV transmission system lines and transformers from service that no longer serve critical processes that were designed with redundant electrical feeds during the cold war era.

The SRS transmission system was modeled in an EDSA software program and a load flow study conducted for seventeen cases. Each case showed that the system will not be negatively impacted by removing selected redundant lines from service. Therefore the operations and maintenance scope could be reduced by more than 25% when redundant 115kV transmission system lines (PP2, 11-54, 54-66, 54-12, 51-41B, 41-53B, 51-61, and 51-63) and transformers to several areas (C, K, L, P, 1G, 3G and 6G) are removed from service.

### II. System Description

Electrical power to SRS is supplied from three sources operated by South Carolina Electric & Gas (SCE&G): one source is from the 484-D Powerhouse connected to switching station 41 and other two sources are from three purchased power (PP) transmission lines: two from the Urquhart Substation in Beech Island, SC and the third from the 230/115kV substation (east of P area) connected to switching stations 51, 52 and 53 respectively. From the switching station, the SRS 115 kV transmission system substations and lines are arranged in interconnecting loops (See attached single line drawing) intended to provide the SRS process areas with redundant sources of power. There are over 137 miles of transmission lines (includes three PP lines; see table 2), 4 switching stations (41, 51, 52, and 53) and 15 substations (see Table 1) in the system.

The 115kV power supply is transformed to medium voltage levels, either 13.8kV or 4.16 kV and then distributed across the site by WSRC.

Terms for the services, fees, and rates supplied from SCE&G are specified in Contract No. DE-AC09-95SR18531 (effective 10/1/95).

### III. Assumptions/General Notes

1. It is noted that A, F and H areas have critical missions and require redundant supply lines and area transformers.
2. It is noted that K and L have critical site missions requiring redundant supply lines; however, one of the three transformers in L area can be removed from service and both transformers in K area can be rotated (one in service and the other on standby) to take credit for energy savings.



3. It is assumed that B, C, P, R, 1G, 3G, and 6G areas have no critical loads and do not require redundant supply lines or redundant area transformers.
4. It is assumed that the substation servicing 681-6G pumphouse and Limnology (735-7G) will no longer be needed.
5. Service availability and reliability will be reduced once the areas are supplied by a single line and/or transformer. Scheduling preventive maintenance will be challenging with the objective to minimize interruptions to customers. Loss of power to customers supplied by a single source will occur in the event of an unscheduled outage to either the line or transformer.

#### **IV. Recommendations**

1. DOE to notify SCE&G to lay-up equipment listed below. The transmission lines should be inspected prior to lay-up and a report issued noting the condition as left. Any unsafe condition concerning the transmission lines near locations such as buildings, parking lots, and road crossings should be corrected.

##### Transmission Lines

PP2 (Urquhart to 504-1G)  
11-54 (151-R to 504-4G)  
54-66 (504-4G to 681-6G)  
54-12 (504-4G to 151-P)  
51-41B (504-1G to 451-D)  
41-53B (451-D to 504-3G)  
51-61 (504-1G to 681-1G)  
51-63 (504-1G to 681-3G)

Transformers should be inspected prior to lay-up and a report issued noting the condition as left. In the event of a choice of transformers to remove from service then the best should remain in service. The transformer should remain on the pad and the 480V heater circuit should remain energized to all transformers.

##### Transformers to lay-up

One of two in C area  
One of two in P area  
One of three in L area  
One of two at 681-1G  
One of two at 681-3G  
All three at 681-6G

### Transformers to Rotate

The transformers in K area should be maintained and rotated at least biannually (one in service while the other on standby).

## V. Discussion

Electrical power to SRS is presently supplied from three sources operated by South Carolina Electric & Gas (SCE&G). One source is from the 484-D Powerhouse connected to switching station 41, and the other two sources are from three purchased power (PP) transmission lines; two from the Urquhart Substation in Beech Island, SC; and, the third from the 230/115kV substation (east of P area) connected to switching stations 51, 52 and 53 respectively. From the switching station, the SRS 115 kV transmission system substations and lines are arranged in interconnecting loops (see attached single line drawing) intended to provide the SRS process areas with redundant sources of electricity. There are over 137 miles of transmission lines, 4 switching stations and 15 substations in the system.

Table 1 lists the substations serviced by the SRS transmission system and provides the no load losses of transformers in the system. The system was configured to provide redundant electrical service to all of the areas on site with the exception of B and R areas. Since the early 1990's, the 100 R, P, L, K and C areas and the reactor cooling water pump houses (681-1G, 681-3G and 681-6G) no longer have had critical processes requiring redundant electrical service. However, in the past few years K and L areas have adapted their facilities for material storage. H and A areas have relatively few changes with respect to safety class or safety significance thus redundant electrical service is required. F area has changed but with the advent of the MOX fuel fabrication facility ground breaking redundant electrical service may be required. Presently B and R areas are serviced by one transformer each (refer to Table 1). If it is determined that C, K, L, P, 1G, and 3G substations could shut down one transformer and 681-6G substation could shut down all transformers the energy cost associated with core losses equaling 540 kW or 394 MWhrs each month would be avoided. The average cost from the first seven months of calendar year 2005 is \$51.15/MWhr (includes demand/energy and O&M charges but does not include site distribution overheads). If the transformers identified above are removed from service, the potential energy savings could be \$241,800 per year.

In 1995, the O&M charge was \$150,000 per month increased 3.5% annually thereafter and the scope included all transformers and lines listed in tables 1 and 2 (includes all structures, switches, breakers and associated hardware) plus the transformers and lines servicing K cooling tower. By implementing the philosophy to only provide redundant electrical feeds to areas with critical processes, transmission lines 11-54, 54-66, 54-12, 51-41B, 41-53B, 51-61, and 51-63 could be removed from service. As stated previously three purchased power lines service the site: two from Urquhart and the third from the 230/115kV substation. One of the purchased power lines from Urquhart could be removed from service; preferably PP2 since Kimberly-Clark is also fed from that line and

the other Urquhart line and the 230/115kV line are dedicated to the site. The total length of 115kV transmission line is 137.08 miles and the total number of transformers is 32. The removal of the recommended transmission lines and transformers would reduce the total length of 115kV transmission line to 99.88 miles (a 27% reduction) and the total number of remaining transformers to 23 (a 28% reduction). It is reasonable to assume that since the removal of redundant transformers and 115kV transmission lines to non critical area will reduce SCE&G's O&M scope by approximately 25%.

A load flow study was conducted on the transmission system to determine and analyze load flows and bus voltages for the SRS 115kV transmission system to validate the feasibility of this proposal. Below are the details and results of the study:

### Load Flow Study

Load flow calculations were performed using the EDSA Technical 2004 program. A model of the SRS transmission system was developed using this program and base data information. Information such as bus destinations, line connections, line characteristics/lengths, transformer/generator data and base loads to each area (see table 4) were incorporated into the model. After the purchased power line 3 tie-in (at 504-3G) in the mid 80's, SRS experienced a reverse power flow through the site (known as wheeling) predominantly in at purchased power line 3 and out of purchased power lines 1 & 2. The 2004 average wheeling data (see table 3) is also fed into the model and seventeen cases ran. Results from the load flow study show that all in-service conductors are less than 50% of the design capacity for all cases. See the attached load flow case study.

The seventeen cases specified are described below:

Case 1: Normal operating condition with all breakers closed and three purchased power lines servicing the site. The average site load from the 2004 demand (see Table 3) was used (106.8 MW average demand in from line 3; 28 MW average demand out on line 1; 43.3 MW average demand out on line 2, and generating a 23.4 MW average demand in from 484-D resulting in a total average SRS demand of 58.9 MW; see table 4 for area loading).

Case A2: Open breakers 5115 (51-61); 5116 (51-63); 5111 (51-72); 5181 (PP-2); and 5315 (12-53) to de-energize the redundant lines as specified in the body of this memo. Site demand, generation and wheeling will remain the same as that of Case 1.

Case A3: With lines of case A2 de-energized, open breaker 5212 simulating preventive maintenance on line 52-71. Site demand, generation and wheeling will remain the same as Case 1.

**Case A4:** With lines of case A2 de-energized, open breaker 5213 simulating preventive maintenance on line 52-21. Site demand, generation and wheeling will remain the same as Case 1.

**Case A5:** With lines of case A2 de-energized, open breaker 5214 simulating preventive maintenance on line 52-22. Site demand, generation and wheeling will remain the same as Case 1.

**Case A6:** Open breakers 5115 (51-61); 5116 (51-63); 5115 (51-41B); 5312 (41-53B); 5181 (PP-2); and 5315 (12-53) to de-energize the redundant lines as specified in the body of this memo. Site demand, generation and wheeling will remain the same as that of Case 1.

**Case A7:** With lines of case A6 de-energized, open breaker 5212 simulating preventive maintenance on line 52-71. Site demand, generation and wheeling will remain the same as Case 1.

**Case A8:** With lines of case A6 de-energized, open breaker 5213 simulating preventive maintenance on line 52-21. Site demand, generation and wheeling will remain the same as Case 1.

**Case A9:** With lines of case A6 de-energized, open breaker 5214 simulating preventive maintenance on line 52-22. Site demand, generation and wheeling will remain the same as Case 1.

**Case B2:** Repeat Case A2, adding 35 MW loading for the future Plutonium Mission (MFFF, PDCF, and WSB) and Salt Waste Processing Facility.

**Case B3:** Repeat Case A3, adding 35 MW loading for the future Plutonium Mission (MFFF, PDCF, and WSB) and Salt Waste Processing Facility.

**Case B4:** Repeat Case A4, adding 35 MW loading for the future Plutonium Mission (MFFF, PDCF, and WSB) and Salt Waste Processing Facility.

**Case B5:** Repeat Case A5, adding 35 MW loading for the future Plutonium Mission (MFFF, PDCF, and WSB) and Salt Waste Processing Facility.

**Case B6:** Repeat Case A6, adding 35 MW loading for the future Plutonium Mission (MFFF, PDCF, and WSB) and Salt Waste Processing Facility.

**Case B7:** Repeat Case A7, adding 35 MW loading for the future Plutonium Mission (MFFF, PDCF, and WSB) and Salt Waste Processing Facility.

**Case B8:** Repeat Case A8, adding 35 MW loading for the future Plutonium Mission (MFFF, PDCF, and WSB) and Salt Waste Processing Facility.

**Case B9:** Repeat Case A9, adding 35 MW loading for the future Plutonium Mission (MFFF, PDCF, and WSB) and Salt Waste Processing Facility.

## VI. Tables

Table 1 - Main Transformer Estimated losses

| <u>Subs.</u> | <u>ID</u> | <u>Trans.</u> | <u>Comments</u>                                  | <u>No load losses</u> |
|--------------|-----------|---------------|--|-----------------------|
| A            | 71        | 2             | Each less than 50% capacity when both in service | 24 kW ea.             |
| B            | 72        | 1             | Less than 50% capacity                           | 14.5 kW               |
| C-1          | 15-1      | 1             | Less than 10% capacity                           | 60 kW                 |
| C-2          | 15-2      | 1             | Less than 10% capacity                           | 60 kW                 |
| D            | 44        | 8             | Step-up transformers from generation station     | 60 kW ea.             |
| F            | 21        | 2             | Each less than 50% capacity when both in service | 24 kW ea.             |
| H            | 22        | 2             | Each less than 50% capacity when both in service | 24 kW ea.             |
| K            | 14        | 2             | Each less than 10% capacity                      | 60 kW ea.             |
| L-1          | 13-1      | 2             | Each less than 10% capacity                      | 60 kW ea.             |
| L-2          | 13-2      | 1             | Less than 10% capacity                           | 60 kW                 |
| P            | 12        | 2             | Each less than 10% capacity                      | 60 kW ea.             |
| R            | 11        | 1             | Less than 10% capacity                           | 60 kW                 |
| 1G           | 61        | 2             | Each less than 10% capacity                      | 60 kW ea.             |
| 3G           | 63        | 2             | Each less than 10% capacity                      | 60 kW ea.             |
| 6G           | 66        | 3             | Each less than 10% capacity                      | 60 kW ea.             |

Table 2 – 115kV Transmission Line Lengths

| <u>Line</u> | <u>Dist. (ft)</u> | <u>Dist. (miles)</u> |  | <u>Line</u> | <u>Dist. (ft)</u> | <u>Dist. (miles)</u> |
|-------------|-------------------|----------------------|--|-------------|-------------------|----------------------|
| 71-52       | 24310             | 4.60                 |  | 15-14       | 14270             | 2.70                 |
| 51-71       | 38970             | 7.38                 |  | 14-53       | 16480             | 3.12                 |
| 51-72       | 25238             | 4.78                 |  | 52-22       | 16284             | 3.08                 |
| 72-52       | 20328             | 3.85                 |  | 22-13       | 34045             | 6.45                 |
| 51-61       | 13236             | 2.51                 |  | 13-13       | estimated         | 0.72                 |
| 51-63       | 18571             | 3.52                 |  | 13-53       | 18432             | 3.49                 |
| 41-51A      | 13892             | 2.63                 |  | 52-11       | 34690             | 6.57                 |
| 41-51B      | 13398             | 2.54                 |  | 11-54       | 6197              | 1.17                 |
| 41-61       | 12114             | 2.29                 |  | 54-66       | 6198              | 1.17                 |
| 41-63       | 3842              | 0.73                 |  | 54-12       | 10831             | 2.05                 |
| 41-53A      | 36622             | 6.94                 |  | 12-53       | 41224             | 7.81                 |
| 41-53B      | 34252             | 6.49                 |  | PP1 (to 52) | 93403             | 17.69                |
| 52-21       | 17269             | 3.27                 |  | PP2 (to 51) | 93720             | 17.75                |
| 21-15       | 13502             | 2.56                 |  | PP3 (to 53) | 44880             | 8.50                 |
| 15-15       | 3803              | 0.72                 |  | Total       |                   | 137.08               |

**Table 3 – 2004 Average Demand**

| <b>Average MWHr/Hr (MW)</b> |                      |                       |                      |                       |                      |                       |                     |                   |              |
|-----------------------------|----------------------|-----------------------|----------------------|-----------------------|----------------------|-----------------------|---------------------|-------------------|--------------|
| <b>2004</b>                 | <b>Line 1<br/>In</b> | <b>Line 1<br/>Out</b> | <b>Line 2<br/>In</b> | <b>Line 2<br/>Out</b> | <b>Line 3<br/>In</b> | <b>Line 3<br/>Out</b> | <b>Total<br/>PP</b> | <b>From<br/>D</b> | <b>Total</b> |
| <b>Jan</b>                  | 0.1                  | 20.1                  | 0.0                  | 28.7                  | 88.0                 | 0.0                   | 39.1                | 11.0              | 50.1         |
| <b>Feb</b>                  | 0.2                  | 18.8                  | 0.0                  | 27.2                  | 73.2                 | 0.0                   | 27.4                | 13.1              | 40.5         |
| <b>Mar</b>                  | 0.9                  | 13.0                  | 0.1                  | 21.6                  | 54.1                 | 0.1                   | 20.4                | 17.9              | 38.3         |
| <b>Apr</b>                  | 0.8                  | 15.5                  | 0.2                  | 23.5                  | 52.5                 | 0.2                   | 14.3                | 23.1              | 37.4         |
| <b>May</b>                  | 0.0                  | 23.2                  | 0.0                  | 32.2                  | 77.2                 | 0.0                   | 21.8                | 20.1              | 42.0         |
| <b>Jun</b>                  | 0.2                  | 23.1                  | 0.1                  | 32.9                  | 77.0                 | 0.0                   | 21.4                | 23.4              | 44.7         |
| <b>Jul</b>                  | 0.1                  | 20.3                  | 0.0                  | 32.1                  | 76.6                 | 0.0                   | 24.3                | 21.4              | 45.7         |
| <b>Aug</b>                  | 0.1                  | 19.7                  | 0.0                  | 29.6                  | 73.0                 | 0.0                   | 23.8                | 20.3              | 44.1         |
| <b>Sep</b>                  | 0.0                  | 17.3                  | 0.0                  | 29.1                  | 68.2                 | 0.0                   | 21.8                | 20.0              | 41.8         |
| <b>Oct</b>                  | 2.2                  | 13.1                  | 0.1                  | 22.2                  | 52.7                 | 0.0                   | 19.8                | 18.6              | 38.5         |
| <b>Nov</b>                  | 0.0                  | 20.6                  | 0.0                  | 31.8                  | 73.0                 | 0.0                   | 20.7                | 17.1              | 37.8         |
| <b>Dec</b>                  | 0.0                  | 19.9                  | 0.0                  | 29.7                  | 73.4                 | 0.0                   | 23.8                | 15.6              | 39.4         |
| <b>Avg</b>                  | 0.4                  | 18.7                  | 0.0                  | 28.4                  | 69.9                 | 0.0                   | 23.2                | 18.5              | 41.7         |
|                             |                      | <b>Line 1</b>         |                      | <b>Line 2</b>         |                      | <b>Line 3</b>         |                     | <b>D</b>          |              |
|                             |                      | -18.3                 |                      | -28.3                 |                      | 69.9                  |                     | 18.5              | 41.7         |
|                             |                      | -18.3                 |                      | -28.3                 |                      | 69.9                  |                     |                   | 23.2         |
|                             |                      | -44%                  |                      | -68%                  |                      | 167%                  |                     | 44%               | 100%         |
|                             |                      | -79%                  |                      | -122%                 |                      | 301%                  |                     |                   | 100%         |
|                             |                      | -25.9                 |                      | -40.0                 |                      | 98.7                  |                     | 26.1              | 58.9         |
| <b>Hold D to 23.4</b>       |                      | <b>-28.0</b>          |                      | <b>-43.3</b>          |                      | <b>106.8</b>          |                     | <b>23.4</b>       | <b>58.9</b>  |

**Table 4 – Area Loading and Capacities**

| <b>Station</b> | <b>Load<br/>(MW)</b> | <b>Capacity<br/>(MVA)</b> | <b>Station</b> | <b>Load<br/>(MW)</b> | <b>Capacity<br/>(MVA)</b> | <b>Station</b> | <b>Load<br/>(MW)</b> | <b>Capacity<br/>(MVA)</b> |
|----------------|----------------------|---------------------------|----------------|----------------------|---------------------------|----------------|----------------------|---------------------------|
| 11 (R)         | 0.50                 | 30                        | 15-1 (C)       | 1.00                 | 30                        | 61 (1G)        | 0.10                 | 40                        |
| 12 (P)         | 0.50                 | 60                        | 15-2 (C)       | 1.00                 | 30                        | 63 (3G)        | 0.70                 | 40                        |
| 13-1 (L)       | 0.75                 | 60                        | 21 (F)         | 10.00                | 80                        | 66 (6G)        | 0.10                 | 19                        |
| 13-2 (L)       | 0.75                 | 30                        | 22 (H)         | 25.00                | 80                        | 71 (A)         | 12.00                | 80                        |
| 14 (K)         | 1.50                 | 60                        | 41 (D)         | 1.00                 | D/TNX                     | 72 (B)         | 4.00                 | 16                        |

|   |                                    |   |  |
|---|------------------------------------|---|--|
| AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT  |                                    | 1. CONTRACT ID CODE                                   | PAGE 1 OF 2  |
| 2. AMENDMENT/MODIFICATION NO<br>M001  | 3. EFFECTIVE DATE<br>See Block 16c | 4. REQUISITION/PURCHASE                               | 5. PROJECT NO. (if applicable)                               |
| 6. ISSUED BY<br><br>U.S. Department of Energy<br>Savannah River Operations Office<br>P.O. Box A<br>Aiken, SC 29201  |                                    | 7. ADMINISTERED BY (if other than item 6)<br><br>SAME | CODE   |
| 8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)<br><br>South Carolina Electric and Gas<br>1426 Main Street<br>Mail Code 141<br>Columbia, SC 29203 |                                    | 9A. AMENDMENT OF SOLICITATION NO.                     |  |
|   |                                    | 9B. DATED (SEE ITEM 11)                               |  |
|   |                                    | (X)   | 10A. MODIFICATION OF CONTRACT/ORDER NO.<br>DE-AC09-06SR22434 |
|   |                                    |   | 10B. DATED (SEE ITEM 13)<br>06/01/2006                       |
| CODE  | FACILITY CODE                      |   |  |

# 11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended. \_\_\_ is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods.

(a) By completing Items 8 and 15, and returning 1 copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers, FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment your desire to change an offer already submitted, such change may be by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

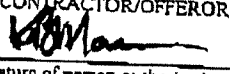
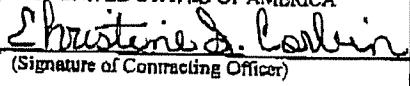
12. ACCOUNTING AND APPROPRIATION DATA (if required)  
Not Applicable

# 13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

|     |   |
|-----|---|
| (L) | A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.  |
|     | B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b). |
|     | C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:  |
| X   | D. OTHER (Specify type of modification and authority)<br>Mutual Agreement of the Parties  |

IMPORTANT: Contractor \_\_\_ is not, X is required to sign this document and return 3 copies to the issuing Office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)  
SEE PAGE 2 THRU 2

|  |   |  |   |
|--|---|--|---|
| 15A. NAME AND TITLE OF SIGNER (Type or print)<br>Kevin B. Marsh, President & COO                               |   | 16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)<br>Christine S. Corbin, Contracting Officer |   |
| 15B. CONTRACTOR/OFFEROR<br> | APPROVED AS TO LEGALITY AND FORM<br>30-105<br>6-28-06 | 15C. DATE SIGNED<br>6/29/06  | 16B. UNITED STATES OF AMERICA<br><br>(Signature of Contracting Officer) |
| (Signature of person authorized to sign)   |   | 16C. DATE SIGNED<br>6/29/06  |   |

NSN 7540-01-152-8070

PREVIOUS EDITION UNUSABLE

STANDARD FORM 30 (REV. 10-83)  
Prescribed by GSA

FAR (48 CFR) 53.243

**Standard Form 30, Block 14 continued**

The purpose of this modification is to delete the requirement for J.01, Exhibit A, maps. Accordingly, the following applies:

- A. Under Part III, LIST OF ATTACHMENTS, EXHIBITS AND DOCUMENTS, page 45, is deleted and replaced with Revision 01, dated 06/26/2006, attached hereto. Maps and drawings will be provided upon request, if applicable.
- B. All other terms and conditions of Contract No. DE-AC09-06SR22434 remains unchanged.